

2015/16

Annual Report



umasipala
local municipality
plaaslike munisipaliteit



BAVIAANS MUNICIPALITY

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& Performance 2015/16

to be included in final

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to be included in final

Annexure 4: The audit committee report 2015/16

to be included in final

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PART 1: Introduction and Overview

A. FOREWORD BY THE MAYOR

To be included in Final

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B. YEARLY PROGRAM PRIORITIES STATEMENT

The 2015/16 Annual Report of Baviaans Municipality has been prepared in terms of Section 46(1) of the Municipal Systems Act 5 of 2003, Section 121(1) of the Local Government Municipal Finance Management Act 56 of 2003(MFMA) and in line with the customised template and guidelines that were workshopped with Local Municipalities, presented by the Provincial Department of Local Government and Traditional Affairs.

It is important to put emphasis of the purpose of the Annual Report, which is:

- To provide a record of activities of Baviaans Municipality during the financial year 2015/16
- To provide a report on the performance in fulfilling the objectives as reflected in the IDP, the Budget and Service Delivery and Implementation Plan
- To promote accountability on the administrative side to the local community for decisions made throughout the financial year 2015/16. It is also a tool for Council to identify challenges and priorities for the ensuing year.

During the year under review, progress has been made in certain areas:

Development Priority	Project Description
Building the institution and Employee Capacity	To enable personnel to perform their functions they are capacity through ongoing training. No Sec 56 managers attended training to obtain their Certificate in Municipal Financial Management in order to comply with National Treasury minimum competency levels. The continuous SAMWU strike prevented any senior official to be away from office for an unforeseen time Baviaans Municipality experienced cash flow problems during the year and had a challenge to pay its creditors within the 30 days period. National Treasury appointed a MFIP Advisor, which added huge value to our financial processes.

Development Priority	Project Description
Enhance Community Services	Continuous training was provided to our community members to improve the quality of life and to build, the capacity of the residents. Computer classes continued at no cost to all interested parties. The youth of Baviaans benefitted from the mentioned programmes. The municipality is doing well in creating jobs to communities through the Extended Public Works Programme, Sakha Sizwe programme and any other job opportunities that are introduced by other government departments. Internet service is available at all libraries and is used free of charge by Baviaans communities. The municipality will continue empowering communities in various fields where they will benefit in their future endeavours.

Development Priority	Project Description
Economic Development/Tourism	Various projects are being implemented to attract tourism in the area such as arts and craft, marketing of business and products. Phase II of a skills development training for the Rietbron Crafters were implemented with great success. Numerous workshops were held to enhance the skills of SMMEs in the area. The recycling project in Willowmore is well on its way and will be fully operational during 16/17. The support given by other organs of state is highly appreciated.

Development Priority	Project Description
Basic Infrastructure	To enhance the quality of life of the inhabitants of Baviaans municipality all basic services are provided to communities in the most cost effective economical and effective manner. Because of this and the consistent communication with communities, it has been a stable financial year in Baviaans. It is important to mention that in line with the LED initiatives local labour and local service providers who are trained by the municipality benefit from these projects. All targets for capital projects in this area were reached, including the target for the Erasmuskloof water project in Steytlerville.

Challenges and weaknesses on matters rose above

- The continuous SAMWU strike throughout the year created huge service delivery backlogs in especially Willowmore and Steytlerville towns. Slow attention were given to complaints, which lead to unhappy residents.
- The strike also created problems with the collection of revenue during 15/16
- No CFO appointed after the resignation of the previous CFO.
- Due to the decision of the Demarcation Board to merge municipalities in our area, no vacancies could be filled

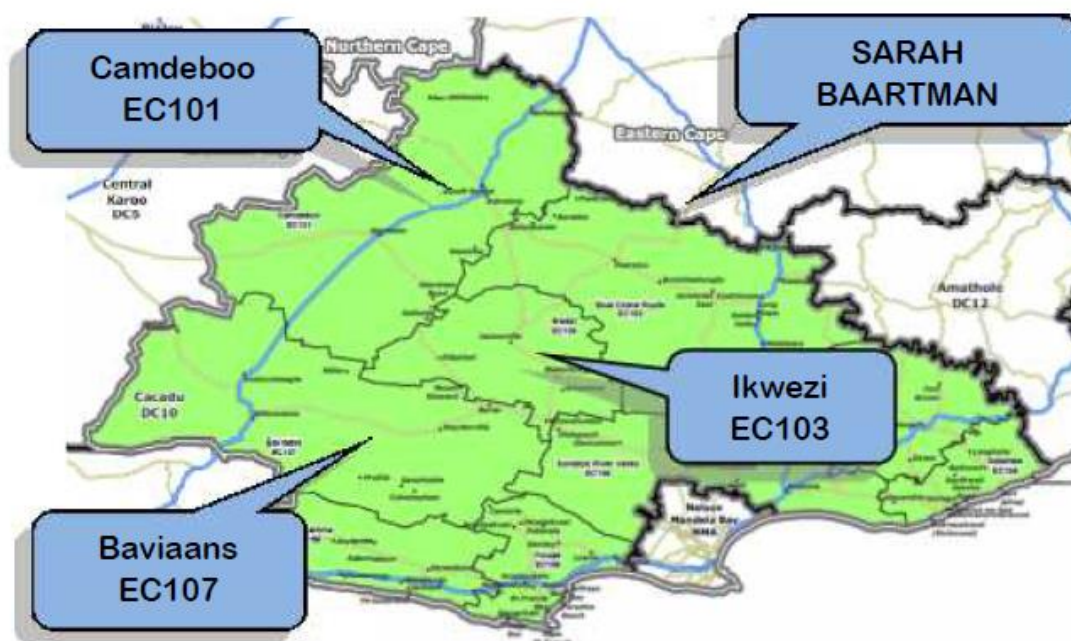
Highlights during 2015/16

- ✓ Unqualified audit
- ✓ The construction of the Down Housing project in Willowmore kicked off.
- ✓ Completion of the Erasmuskloof water project: Steytlerville
- ✓ National Treasury appointed MFIP Advisor added huge value to our financial processes.

I wish to thank the Mayor, the Council and all personnel for their advice and support to make Baviaans Municipality a desirable place to live in.

MUNICIPAL MANAGER

C. FOREWORD



The 262 local municipalities established throughout South Africa in 2001 were reduced to 234 in 2011. For the 2011 Local Government Elections all of the nine local municipalities established within the jurisdiction of (erstwhile Cacadu) Sarah Baartman District Municipality, were delimited into wards. The geographical area making up the jurisdiction of Baviaans and Ikwezi Local Municipalities were both delimited into four wards and seven wards in respect of Camdeboo.

In December 2014, the Municipal Demarcation Board (MDB) issued Circular 4/2014, giving notice of public consultation meetings being held in respect of Ward Delimitations – ahead of the 2016 Local Elections. There were a few proposed changes in some of the Wards, and at the time it was felt that any change in boundaries be thoroughly deliberated and carefully considered. If they are incorrectly placed, this could affect severely on our planning processes (especially Ward-based and Integrated Development Planning), service delivery and ultimately the communities we have to serve.

A month later, MDB Circular 1/2015 was issued, giving notice of the postponement of the Ward Delimitation meetings, while at the same time announcing a request by the Minister of Co-operative Governance and Traditional Affairs (Pravin Gordhan) for the re-determination of some Municipal boundaries, of which Baviaans was one. This will have far-reaching effects and will affect the proposed Ward Delimitations.

The re-determination of Municipal Boundaries is a process, which has already run its course and was completed late in 2013.

In MDB Circular 2/2015 (dated 04/02/2015), it was confirmed that Camdeboo EC101, Ikwezi EC103 and Baviaans EC107 were being proposed for amalgamation “with the view to optimizing the financial viability of the new Municipality”. Tight timeframes were set for specific activities that had to be implemented by the Local Municipalities concerned.

MDB Acting CEO, Mr Mlulami Manjezi, representatives from his office, Executive Mayor, Kekana from SBDM and the Municipal Manager, Mr T Pillay from SBDM visited Baviaans Municipality on 23 November 2015. At this well-attended public meeting, the proposed new ward boundaries were discussed. Thereafter Baviaans held ward committee meetings as well as a series of Community Based Planning meetings where these proposals were discussed.

The amalgamation of the three Municipalities will result in a vast geographic spread of just under 29,000 km² – half the size of the District Municipality – with a distance of approximately 260 km as the crow flies between the two furthest points (see map below). Some areas are very rugged and mountainous, and almost inaccessible. Based on the 2011 Census and with an estimated growth rate of 1% per annum factored in, the combined population will be about 82,500 by 2015. Many critical aspects will require rigorous interrogation and very careful consideration in this proposal.

On the 27th of August 2015, the Demarcation Board issued a notice in the Provincial Gazette of the intention to re-determine the municipal boundaries of Baviaans, Camdeboo and Ikwezi by amalgamating their municipal areas and to determine the municipal boundary of a new category B municipality. The newly established municipality, **Beyers Naude Local Municipality**, will take effect after the elections of 03 August 2016.

D. OVERVIEW OF THE MUNICIPALITY



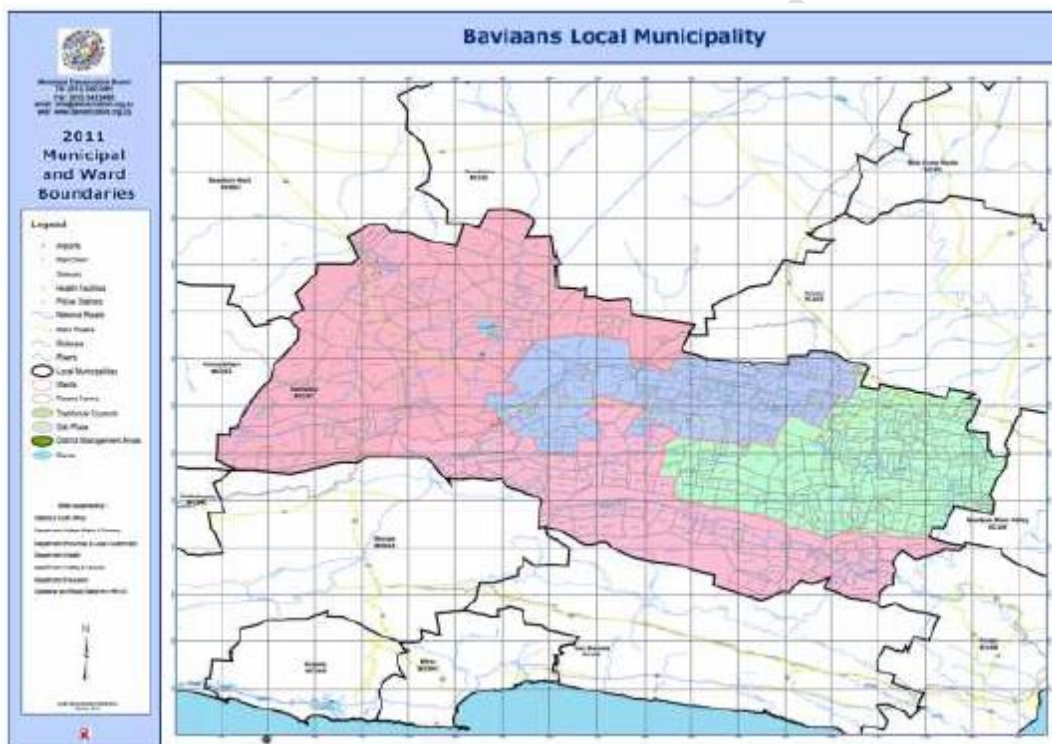
The Baviaans Municipality is a Category B Municipality, which together with another eight municipalities, form the Sarah Baartman District Municipality. The Baviaans Municipal area is bordered on the North by Ikwezi Municipality, the East by Sundays River Valley Municipality, the South by Kou-Kamma and Kougas Municipalities and the West by the Eden District Municipality (Western Cape Province). The Baviaans Municipal area falls within the Greater Karoo area (one of the areas within the Sarah Baartman District Municipality that have similar geographical characteristics and requires similar geographical guidance).

In 2011, the Baviaans was delimited into four wards and the municipal area increased from 11 590.52km² to 11 668.32km². The elections on 18 May 2011 brought about the incorporation of the

previously District Management Areas of Rietbron, Miller and Vondeling. The seat of the municipality is situated in Willowmore.

The Baviaans area comprises of vast rural commercial farms with small rural nodes and three main towns, i.e. Willowmore, Steytlerville and Rietbron. Rural nodes and settlements include:

- **Vondeling**
- **Miller**
- **Fullarton**
- **Saaimanshoek**



Baviaans Municipality is a Category 1 municipality with a plenary system combined with a ward participatory system. There are seven councillors, four of which were directly elected to a specific ward and the remaining three to represent parties proportionally in the Council. The mayor is a full time office bearer, while the political and executive authority is vested in Council.

The well-known Baviaanskloof Nature Reserve, a world heritage site and one of the largest wilderness areas in the country, is situated to the south. The nature reserve covers 90% of the local municipal area, which has been divided into four wards. The leading sectors with regard to Gross Value Added are community services, agriculture, trade (which includes tourism), finance (which includes real estate), manufacturing and transport. Agriculture, tourism and service industries form the basis of the area's economy.

Due to the world heritage site, the future economic development of this area is based on the development of tourism. The area consists of two urban nodes, various smaller settlements, a well-developed transportation network, farmlands and conservation areas. This area can be described as an area with:

- Commercial farming area (sheep, goats and game);

- Low population growth and density;
- Water shortages;
- Rich tourism potential not fully utilized e.g. Baviaanskloof Mega-Reserve; and
- A high poverty rate.

When measured, poverty may be absolute or relative poverty. Absolute poverty refers to a set standard, which is consistent over time and between countries.

Relative poverty, in contrast, views poverty as socially defined and dependent on social context. A relative measurement would be to compare the total wealth of the poorest one-third of the population with the total wealth of the richest 1% of the population. In this case, the number of people counted as poor could increase while their income rises

The World Bank defines poverty in absolute terms. The bank defines *extreme poverty* as living on less than US\$1.25 (R11.28) per day (R338.40 per month) and *moderate poverty* as less than \$2 (R18.05) a day (R541.50 per month).

The levels of income of residents in Baviaans Municipality for the financial year 2014/15 are reflected in the figure below:

Major events that affected the working environment during the year 2015/16

- Completion of the project: Upgrade bulk water supply to Steytlerville
- 420 water meters replaced at RDP houses in Rietbron
- 2 km of streets paved in Willowmore and Steytlerville
- High mast light in Rietbron installed and connected
- Sport facilities in Rietbron upgraded
- Internal sewer and replacement of digesters at Manenza Square in Rietbron completed
- Appointment of consultant to do the feasibility study for the upgrading of bulk water supply in Willowmore

E FINANCIAL PERFORMANCE OVERVIEW FOR PAST THREE YEARS

2015/16 Financial Year

OPERATIONAL PERFORMANCE	2013/2014	2014/2015	2015/2016	Target/Benchmark
Actual operating expenditure to budget	105.48%	99.77%	77.55%	100%
Actual operating income to budget	98.63%	102.31%	98.78%	100%
Capital spending to budget	79.72%	86%	93.39%	100%
Personnel costs to income	23.86 %	39%	40.51%	
Electricity distribution losses	11.82 %	9.49%	26.64%	12%

OPERATIONAL PERFORMANCE	2013/2014	2014/2015	2015/2016	Target/Benchmark
Water distribution losses	21 %	24%	29.58%	20%
LIQUIDITY				
Debtors collection period	92 days	33 days	38 days	30 days
Outstanding debtors to revenue	6.4%	4.08%	8.65%	

F PERFORMANCE INFORMATION

General Key Performance Indicators

Indicator	2012/13	2013/14	2014/15	Target
The percentage of households with access to basic levels of water, sanitation & electricity	100%	100%	100%	100%
The percentage of indigent households (Combined household income <R2680)	52.74%	53.55%	54%	
Percentage of municipality's budget actually spent on capital projects identified for a particular year in terms of the municipality IDP	83.54%	79.72%	86%	100%
The number of jobs created through the municipality's LED initiative, including capital projects	Sakha Isizwe – 254 EPWP - 421	Sakha Isizwe – 254 EPWP - 955	Sakha Sizwe 254 EPWP- 450	Sakha Isizwe – 254 EPWP - 924
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a	60%	100%	67%	100%

Indicator	2012/13	2013/14	2014/15	Target
municipality's employment equity plan				
The percentage of a municipality's budget for training actually spent on implementation of workplace skills	70.56%	100%	100%	100%

G EXECUTIVE SUMMARY

Vision

Baviaans municipality strives towards the establishment of a progressive community within a safe environment where basic service delivery is guaranteed and wherein decision-making is based on maximum participation from the community

Mission

- The political office bearers, staff and the people of Baviaans Local Municipality will:
- Effect open communication channels to keep communities informed;
- Effect participative and accountable developmental local governance;
- Pro-actively identify suitable land for settlement;
- Facilitate housing delivery;
- Provide basic services;
- Create a climate conducive to local economic development, with a particular focus on eradicating poverty, creating jobs and developing the tourism and eco-tourism sector; and
- Facilitate social upliftment and development

DEVELOPMENTAL GOALS AND OBJECTIVES

As reflected in the Municipality's IDP its development priorities, objectives and strategies can be summarised as follows:

Development Priority 1: Building the institution and Employee Capacity

Objectives	Strategies
1. A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service	<ul style="list-style-type: none"> ✓ Strengthen the municipal resources ✓ Strengthen the municipal accountability ✓ Improve and strengthen existing planning system ✓ Improve control of municipal assets ✓ Houses in the name of Baviaans Municipality ✓ Establish a viable municipality after incorporation of DMA areas

Objectives	Strategies
2. Working towards the creation of a stable, capacitated personnel –corps geared to increased service delivery and good performance in services delivered	<ul style="list-style-type: none"> ✓ An effective, customised organisational structure, ✓ Trained & skilled personnel. Compliant HR Administration ✓ Create incentives for staff to improve performance / productivity ✓ Sound corporate administration ✓ Local Labour Forum ✓ Improve customer care: Control complaints ✓ Performance management
3. All areas of development in the Baviaans Municipal area must be thoroughly planned	<ul style="list-style-type: none"> ✓ Well planned documents for development areas in the municipality ✓ Local Government Turnaround Strategy Plan
4. Promotion of the image of Baviaans Municipality	<ul style="list-style-type: none"> ✓ Improve the image of Baviaans Municipality
5. Well established communication channels	<ul style="list-style-type: none"> ✓ Improve internal & external communication
6. Community participation.	<ul style="list-style-type: none"> ✓ Community participation structures to help identify community needs

Development Priority 2: Enhance Community Services

Objectives	Strategies
1. Proud citizens that contribute to the development of their town/s	<ul style="list-style-type: none"> ✓ Better educated communities ✓ Early childhood development ✓ Raise the level of skill competency of the community (Around 50 – 75% of high school pupils in this area are not capable for academic schooling) ✓ Instil a sense of pride and ownership and dignity. Utilise local skill in community to assist in projects. ✓ Build community spirit ✓ Remove sense of “helplessness” ✓ Better educated communities
2. The youth of Baviaans is actively integrated into and contribute to community development	<ul style="list-style-type: none"> ✓ Provision of recreational facilities ✓ Promote after-school education ✓ Exposure to extra curricula activities ✓ Promote self-development ✓ Remove sense of helplessness ✓ Instil a sense of community pride and dignity ✓ Promote education of youth
3. Development of people in Baviaans area	<ul style="list-style-type: none"> ✓ Skills training ✓ Arts & Culture
4. Improve community access to a comprehensive health care service	<ul style="list-style-type: none"> ✓ Investigate private public partnerships ✓ District , provincial and municipal health services ✓ Promote home-based care ✓ Improve customer care / service

Objectives	Strategies
	<ul style="list-style-type: none"> ✓ Attract more health services to the area (dentist, x-rays, minor surgical procedures, etc.) ✓ Better mortuary services ✓ HIV / Aids Council
5. Control and improvement of animal health	<ul style="list-style-type: none"> ✓ Effective programmes for the health of animals in the Baviaans areas (dogs, cats & donkeys)
6. SAPS fulfil their mandated role and responsibility in the community	<ul style="list-style-type: none"> ✓ Bilateral discussions with SAPS ✓ Build healthy relationships ✓ Forge partnerships to combat crime
7. Communities have easier access to social services	<ul style="list-style-type: none"> ✓ Investigate other options to accessible services ✓ Reduce distance between service and the community ✓ Intergovernmental relations
8. Moral Regeneration in communities	<ul style="list-style-type: none"> ✓ Causes of substance abuse ✓ Morale in communities ✓ Old aged people ✓ Parental programs ✓ Churches

Development Priority 3: Economic Development

Objectives	Strategy
1. Develop programmes for the Baviaans Municipal Area: Department of Rural Development and Land Reform	<ul style="list-style-type: none"> ✓ Ensure the implementation of sustainable projects ✓ Baviaanskloof Hartland
2. SMMEs are provided with mandated municipal support that facilitates their growth and success	<ul style="list-style-type: none"> ✓ Empowerment of the SMME (promote opportunity for local job creation) ✓ Promote the services and or products of the SMME ✓ Facilitate SMME website access and utilisation ✓ Assist with marketing, exposure of the SMMEs product / service ✓ SEDA services in area ✓ The provision of municipal business sites, premises for business. Assist with marketing, exposure of the SMMEs' products / services ✓ Assist with marketing, exposure of the SMME's product / service ✓ Legalise, legitimise Spaza shops ✓ Formalise local hawkers to promote organised trade ✓ Promote opportunity for local job creation
3. Enhance Local Economic Development in Baviaans	<ul style="list-style-type: none"> ✓ Promote local economic development
4. Address high unemployment rate	<ul style="list-style-type: none"> ✓ Poverty Alleviation / Job creation

Objectives	Strategy
5. A pleasurable tourist experience	<ul style="list-style-type: none"> ✓ Promote local tourism ✓ PDI involvement in product ownership of tourism products ✓ Promote local “tourist” products, services available.
6. Investigate the financial viability and sustainability of all resources and facilities of already existent agricultural projects & their contribution to LED	<ul style="list-style-type: none"> ✓ Minimize the losses of small stock of farmers ✓ Ensure the implementation of sustainable projects ✓ Conserve soil (Dept of Agriculture) ✓ Accessing of funding for the soil committee to implement soil conservation projects ✓ Accommodate beneficiaries of the Agricultural Projects ✓ Avail land for emerging farmers ✓ Households to grow their own fruit
7. Training and Empowerment Program	<ul style="list-style-type: none"> ✓ Address training needs of: <ul style="list-style-type: none"> ❖ Women ❖ Disabled ❖ Contractors ❖ PDIs & SMMEs ❖ Youth ❖ Households ❖ Farm workers ❖ Business ❖ Arts & Crafts ❖ Agriculture ❖ Tourism

Development Priority 4: Infrastructure Development

Objectives	Strategy
1. Supply sustainable basic infrastructure for all inhabitants of Bavians: Water	<ul style="list-style-type: none"> ✓ Sustainable water supply ✓ Efficient accounting system for water usage ✓ Operation and maintenance of water reticulation network ✓ Well-planned documents for development of all areas related to water ✓ Comply with legal requirements
2. Supply sustainable basic infrastructure to all inhabitants of Bavians: road infrastructure and transport system which enhance accessibility – urban areas	<ul style="list-style-type: none"> ✓ Establish a well-represented body to meet regularly with the Dept of Roads & Transport ✓ High standards of road infrastructure, infrastructure towns ✓ Contribute to more roadworthy vehicles ✓ Access to transport for the people of Bavians
3. Supply sustainable basic infrastructure to all inhabitants of Bavians: Refuse Removal & Management of Dumping sites	<ul style="list-style-type: none"> ✓ Legal compliance of all dumping sites ✓ Improve refuse removal plans

Objectives	Strategy
4. Supply sustainable basic infrastructure to all inhabitants of Baviana: Sanitation	<ul style="list-style-type: none"> ✓ Provide sanitation of an acceptable standard to all communities ✓ Provide sanitation to farm workers
5. Supply sustainable basic infrastructure to all inhabitants of Baviana: Housing	<ul style="list-style-type: none"> ✓ Eradicate all squatters and informal settlements in Baviana ✓ Provide housing for needy people in Baviana ✓ Provision of housing for middle and high income earners ✓ Enhance quality and standards of RDP housing
6. Supply sustainable basic infrastructure to all inhabitants of Baviana: Electricity	<ul style="list-style-type: none"> ✓ Avoid power failure from the municipal supply network ✓ Eradicate or minimise electricity losses ✓ Electricity supply to all inhabitants of Baviana ✓ Alternative energy sources
7. Supply sustainable basic infrastructure to all inhabitants of Baviana: Streets and Storm water drainage	<ul style="list-style-type: none"> ✓ Improve quality of streets & storm water in all areas
8. Supply sustainable basic infrastructure to all inhabitants of Baviana: Municipal Assets	<ul style="list-style-type: none"> ✓ Encourage efficient usage of municipal assets ✓ Upgrade municipal assets ✓ New municipal assets
9. TV	<ul style="list-style-type: none"> ✓ Maintenance of TV satellites stations
10. Fire Function	<ul style="list-style-type: none"> ✓ Fire function
11. Repair & Maintenance	<ul style="list-style-type: none"> ✓ Maintain and repair all assets of Baviana Municipality

PART 2: KPA ACHIEVEMENT REPORT

CHAPTER 1: ORGANISATIONAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (KPA 1)

1.1 PRESENTATION OF THE ORGANIZATIONAL STRUCTURE (APPROVED ORGANOGRAM): 2015/16 FINANCIAL YEAR

Total number of approved posts	Total number of vacant posts	Number of Performance Agreement Section 56
111	12	5

Change in the organisational structure compared to the previous financial year 2013/14

The following posts were created in 2015/16:

Budget & Treasury Dept

1. Asset management practitioner
2. Data administrator

Community services

1. Tourism Clerk Willowmore
2. Personal Assistant to the mayor

Technical services

1. Examiner – Testing Station: Licensing

Vacancies: 2015/2016 (30 June 2015)

Budget & Treasury Dept

1. Cashier - T5

Corporate Services

1. Messenger / Cleaner – T5 – Steytlerville

Technical Services

1. General worker – conservancy tanks – Willowmore
2. General Assistant – Water section – Willowmore
3. General worker - Refuse (Tip) T3 – Steytlerville
4. General Assistant – Refuse – Steytlerville
5. General Assistant – Refuse – Willowmore
6. General Assistant – Public convenience – T3 – Steytlerville
7. Driver – Rietbron

1.2 STAFF DEVELOPMENT INITIATIVES DURING THE FINANCIAL YEAR

Types of training	Number of people
• NHNR Training	1
• LLF	5
• Supervision: Water Waste Management	5
• MSWA	1
• E-Natis – Driving License	1

Workplace Skills Plan

A workplace Skills Plan was adopted and implemented.

Human Resource Development Plan

HR Development Plan was adopted on 27 June 2013 and includes Recruitment, promotions, termination of services and Injury on Duty. Leave & discharge due to ill-health forms part of the Collective Agreement of the Bargaining Council.

1.3 KEY HR STATISTICS PER FUNCTIONAL AREA

1.3.1. FULL TIME STAFF COMPLEMENT PER FUNCTIONAL AREA

a) MM/Section 57

	Approved positions (e.g. MM –S57 etc.)	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Municipal Manager	1	1	0
2	Chief Financial Officer	1	1	0
3	Corporate Services	1	1	0
4	Technical Services	1	1	0
5	Community Services	1	1	0
	Total	5	5	0

b) Functional areas per organogram

Line Managers: Technical Department

	Line Managers	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Assistant Technical Manager	2	2	0
2	Assistant Manager Town Planning; Commonage, Municipal Property, Municipal Buildings	1	1	0
	Total	3	3	0

Line Managers: Community Services

	Line Managers	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Tourism Manager	1	1	0
2	PMS Practitioner	1	1	0
3	LED Official	1	1	0
4	IDP / Communication official	1	1	0
	Total	4	4	0

Line Managers: Corporate Services - Not applicable

Staff complement in the Municipal Manager's office

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Municipal Manager	1	1	0
2	Personal Assistant to the Municipal Manager	1	1	0
3	Senior clerk	1	1	0
	Total	3	3	0

Staff complement in the Budget and Treasury Office

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Chief Financial Officer	1	1	0
2	PA to the CFO/ Finance Administrator	1	1	0
3	Manager- Finance	1	1	0
4	Debt & Revenue Controller Income	2	2	0
5	Finance Controller - FBS	1	1	0
6	2 x Cashier / Enquiry Clerks	2	1	1
7	Controller: Expenditure	1	1	0
8	Supply Chain Management Practitioner	1	1	0
9	Principal clerk Expenditure	1	1	0
10	Supply Chain Mgt: Demand & acquisition	1	1	0

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
11	Principal Clerk: Asset Management	1	1	0
	Total	13	13	1

Staff complement in Technical Services Department

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Technical Services Manager	1	1	0
2	Administrator: Technical Services Manager	1	1	0
3	Assistant Technical Manager	2	2	0
4	Assistant manager Town planning; Commonage, Municipal Property, Building control	1	1	0
5	Artisan: Water & Electricity, Steytlerville	2	2	0
6	Artisan: Water & Electricity, Willowmore	2	2	0
7	Artisan Electrical	1	1	0
8	Superintendent Testing Station in Licensing – Grade A	1	1	0
9	Examiner Learner's License	1	1	0
10	2 x Foremen, Refuse, Willowmore & Steytlerville	2	2	0
11	Vehicle examiner Driver's License	1	1	0
12	2x Foremen, Roads, Willowmore & Steytlerville	2	2	0
13	Fire officers	2	2	0
14	Drivers	8	7	1
15	Cashier E Natis	2	2	0
16	General Assistants – (Refuse) Steytlerville & Willowmore	6	5	1
17	Handy man	3	3	0
18	Plant Operators	2	2	0
19	Street Sweepers	4	4	0
20	Supervisor: Refuse , dumping	1	0	1

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
21	General Assistant - (Public convenience)	8	7	1
22	General Assistant – (Water)	3	2	1
23	General Assistant – (Electricity)	2	2	0
24	General Assistant – (Conservancy tanks)	2	1	1
25	Foreman (Refuse & Public convenience)	1	1	0
26	Meter reader	2	2	0
27	Housing Administrator	1	1	0
28	Driver – speciality	1	1	0
29	General worker - (Refuse & Public convenience)	4	4	0
	Total	73	65	7

Staff complement in Corporate Services

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Manager: Corporate Services	1	1	0
2	PA Corporate Services manager	1	1	0
3	Records and Archives Principal Clerk	1	1	0
4	2 x Cleaners/Messenger	2	0	2
5	Human Resource officer	1	1	0
6	Administrative Officer	1	1	0
	Total	7	5	2

Staff complement in Community Services

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Manager: Community Services	1	1	0
2	PA to Community Services	1	0	1
3	PA to the Mayor	1	1	0
4	PMS Practitioner	1	1	0
5	2 x Youth officers	2	2	0
6	LED official	1	1	0
7	3 x Assistant Librarians	3	3	0
8	Tourism manager	1	1	0
9	Admin officer	1	1	0
10	Tourism Officers	1	1	0
11	Tourism Clerk	1	0	1

	Approved positions	Number of approved and budgeted posts per position	Filled posts	Vacant posts
12	Customer Care Clerk	1	1	0
	Total	15	13	2

Technical staff registered with professional bodies

Technical Service (e.g. water, electricity, etc.)	Total number of Technical Service Managers	Total number registered in the accredited professional body	Total number pending registration confirmation in the accredited professional body	Total number not yet registered in the accredited professional body
Water	1	1	0	0
Electricity	1	4	0	1

Levels of education and skills

Total number of staff	Number of staff without Grade 12	Number of staff with Senior Certificate only	Number of staff with Tertiary/accredited professionals training
102	42	21	36

Trends on total personnel expenditure

Financial Years	Total Number of staff	Total approved operating Budget	Personnel expenditure (salary and salary related)	Percentage of expenditure
2010/11	109	39 268 201	14 486 046	36.89%
2011/12	110	48 469 921	18 318 024	37.79%
2012/13	107	49 524 647	18 586 710	37.53%
2013/14	120	68 390 553	20 539 265	30.03%
2014/15	102			

List of pension and medical aids to which employees belong

Names of pension fund	Number of members	Names of Medical Aids	Number of members
Cape Joint Retirement	25	Bonitas	7
SAMWU	25	Fed Health	1
SALA	30	Key Health Samwumed	15 2

Names of pension fund	Number of members	Names of Medical Aids	Number of members
		LAMAF Alexander Forbes	1 x Councillor 4 x Retired officials 11 x Employees 1
		HOSMED	4

Senior officials' wages and benefits

Designation	Annual Remuneration	Performance Bonus	Vehicle, accommodation, subsistence and other Allowance	Contributions to UIF, Medical and Pension funds
Municipal Manager	552 776		137 400	8 517
Chief Financial Officer	659 937		10 800	3 461
Manager: Technical Services	469 414		45 800	6 943
Manager: Community Services	372 414		142 800	1 861
Manager Corporate Services	429 414		85 800	6 863
Total	2 483 955		422 600	27 645

1.3.2 IMPLEMENTATION OF PERFORMANCE MANAGEMENT SYSTEM (PMS)

The monitoring and implementation of the IDP is done through the Performance Management System. A Framework/Plan for PMS in the Baviaans Municipality was adopted by Council in February 2008 and is yearly under review.

Performance management at the municipality refers to the monitoring of five different levels of performance plans. These levels are as follows:

- (a) Organisational / Institutional Performance: Institutional Performance was done for 15/16
- (b) Section 55/56 Managers: Evaluations are done on a quarterly basis with a final evaluation at the end of the financial year (30 June 2016). An Evaluation Panel is appointed once a year to adhere to the evaluation of the Municipal Manager and the Sec 56 managers (as per the PMS Framework/Policy).
- (c) Non-section 56 Employees (Section 66 employees): during 15/16, evaluations were done for lower level staff.
- (d) Suppliers until 30 June 2016.
- (e) Evaluation of interns

A report on all the above evaluations mentioned are tabled to council quarterly.

Baviaans Municipality received a clean audit on Performance Management for 14/15.

1.4 ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS

1.4.1 ORGANISATIONAL DEVELOPMENT

	Indicator name	% planned for during the year under review	Achievement level during the year under review	Achievement percentage during the year (%)	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	12 vacancies	6 posts filled	33%	
2	Percentage of appointment in strategic positions (Municipal Manager and Section 56 Managers)	100%			CFO position vacant in new financial year
3	Percentage of Section 56 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	1%			
4	Percentage of Managers in Technical Services with a professional qualification	100%			N/a
5	Level of PMS effectiveness in the municipality	Fully effective on all levels: Section 56 managers, middle management, and suppliers. Still experiencing problems with lower level staff			
6	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	0%		100%	N/a
7	Percentage of councillors who attended a skill development training within the current 5 year term	2%			
8	Percentage of staff complement with disability	0	1%		% planned for not specified in EEP
9	Percentage of female employees		35		% planned for not specified in EEP
10	Percentage of employees that are aged 35 or younger	23%	40		% planned for not specified in EEP

	Indicator name	% planned for during the year under review	Achievement level during the year under review	Achievement percentage during the year (%)	Comments on the gap
11	Adoption and implementation of a Local Performance Management System	100%	100%	100%	N/a

1.4.2 MAJOR CHALLENGES AND REMEDIAL ACTIONS CONCERNING HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT

CHALLENGES	REMEDIAL ACTIONS	TIME FRAMES	ACTION TAKEN	RESPONSIBLE PERSON
Effective control, monitoring and supervision	<p>Managers will compile a list of all control-matters, the list will form part as a standing item at management meetings</p> <ol style="list-style-type: none"> 1. Contracts – municipal properties 2. Minutes of Council meetings 3. Policies of Council 4. Law schedules 	<ol style="list-style-type: none"> 1. 30/06/2013 2. Ongoing 3. 30/06/2013 4. Ongoing 	<ol style="list-style-type: none"> 1. List compiled 2. Available within 7 days 3. Reviewed 4. Submitted to Council 	<ol style="list-style-type: none"> 1. Mng Corporate Services 2. Mng Corporate Services 3. Mng Corporate Services 4. HODs

CHAPTER 2: BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS (KPA 2)

2.1 WATER SERVICES

A. WATER SERVICES DELIVERY STRATEGY AND MAIN ROLE-PLAYERS:

Baviaans Municipality is the Water Services Authority (WSA) and the Water Services Provider (WSP). There is no bulk water supplier in the Baviaans Municipal area. The Department of Water Affairs (DWA), as the government department, plays a role in bulk water supply by regulating the National Water Act, by its own investigations and by providing assistance to local municipalities.

To fulfil its obligation in terms of its license conditions for the extraction of water on the farm Wanhoop, Baviaans LM had to develop and complete an internal and external audit and implement a Water Monitoring committee

Likewise, there is at present no Catchment Management Agency (CMA) and DWA fulfils this role until the CMA is established. No abstraction from surface water sources takes place in the WSA's area of jurisdiction and abstraction only takes place from underground water. The primary function of the municipality is the delivery of basic services to its community.

B. LEVELS AND STANDARDS IN WATER SERVICES:

The following households have access to water supply.

	TOTAL
Piped (tap) water inside dwelling/institution	3503
Piped (tap) water inside yard	1053
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	53
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	1
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	0
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	0
No access to piped (tap) water	0

4610 households have access to basic water supply while the other households have access to water. The households that have access to basic water supply include towns like Willowmore, Steytlerville and Rietbron. The current water demand is determined by the level of services provided to the consumers. The current level of service provided to consumers in the towns Willowmore, Steytlerville, Saaimanshoek and Rietbron are individual metered erf connections to all erven.

Saaimanshoek, Studtis and Zandvlakte are farming communities in the Baviaanskloof Wilderness Area with a total population of about 1800 people. The main water supply comes from boreholes, which is augmented from mountain streams. Since it is not expected that these places will grow significantly,

the current supply is considered adequate. Should the need arise to cater for more additional water requirements, the local streams and aquifers could be explored. Fullarton and Miller are former railway stations between Willowmore and Klipplaat, with a population of about 60 people each. The households in Miller is supplied with water from boreholes and water is carted to Fullarton bi-weekly. Water provision to privately owned land (farms, farm dwellers) remains a challenge especially small settlements within the municipal area of jurisdiction. During the 2011 /12 Financial Year, the municipality developed a policy that deals with water provision to privately owned land. No funding was available during the 2013/14, 2014/15 or 2015/16 financial years to address this challenge of water supply to privately owned land.

C. ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN WATER SERVICES

	Indicator name	Total number of household/ customer expected to benefit	Estimated backlogs	Target set for the FY under review	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to potable water	100%	0	0%	0%	0
2	Percentage of indigent households with access to free basic potable water	100%	0	2467	2467	100%
4	Percentage of clinics with access to potable water	100%	0	100%	100%	100%
5	Percentage of schools with access to potable water	100%	0	100%	100%	100%
6	Percentage of households using buckets	0.02%	13	100%	0	0

D. MAJOR CHALLENGES IN WATER SERVICES AND REMEDIAL ACTIONS

The peak water demand in the hot summer months exceeds the potential bulk water supply capacity of the current water resources for Willowmore, Steytlerville and Rietbron. The peak water demand in the hot summer months for Willowmore, Steytlerville and Rietbron is approximately double that as in the cold winters months and approximately 1.6 times the average annual water demand.

During the summer months, water needs to be carted to Vondeling and Fullarton at a high cost to the municipality. Sarah Baartman District Municipality drilled and equipped a borehole and pipelines in Vondeling, but unfortunately, the borehole that was drilled is dry most of the time. For this reason during the 2012/13 financial year Baviaans Municipality signed a service level agreement with one of the farmers to deliver water to Vondeling because the cost of transporting water to Vondeling became high. Additional source or alternative ways is required for the supply of water to Vondeling of which the cost at this stage is unknown. A feasibility study must be undertaken to determine the supply of water that can cost up to R450 000 unless the Department of Water Affairs already appointed service providers that can assist in doing the feasibility study.

Consultants Aurecon were appointed by the Rapid Response Unit of Department of Water Affairs and Sanitation to conduct an investigation on the rehabilitation of the Vondeling borehole

This was performed during March 2016 and the outcome of the application for funding is awaited

Fullarton – Baviaans Municipality is still carting water to Fullarton that is located 40 km from Willowmore. The cost of carting the water is also high and although meetings were held with the community in Fullarton to relocate to Willowmore it was unsuccessful.

Water supply to Willowmore is supplied from boreholes on a farm called Wanhoop that is located 40 km from Willowmore and situated in the Western Cape. Baviaans Municipality experienced problems with the new farmer since the 2012/13 financial year because the Water purification plant and the boreholes are located on the farm and no servitudes were registered to give access to the plant and boreholes. Department of Water Affairs and Sanitation from both Western Cape and Eastern Cape intervened and finally the Mayor requested the intervention of the National Department of Water Affairs and Sanitation to assist with licenses, servitudes and possibly expropriation of the farm. The municipality were facing a lot of litigation matters and operational problems in terms of access and are currently in communication and waiting for the outcome of the Department of Water Affairs and Sanitation.

Alternative Water Sources

DWA recommends that a water supply safety factor (1.5 times of peak demand) must be used to ensure water demands are met. Alternative water sources are identified in the DWA Reconciliation Strategies for All Towns in the Southern Planning Region. The following sources are identified as potential sources to augment the current water supply:

Steytlerville Alternative Water Sources

- ▶ Implement WC/WDM measures to reduce water losses.
- ▶ Incremental groundwater development
- ▶ Importing water from Erasmuskloof – this project is currently funded by Department of Water Affairs and Sanitation (RBIG) and is in the final stage of implementation.
- ▶ Rainwater harvesting

Willowmore Alternative Water Sources

- ▶ Full implementation of a Water Conservation and Water Demand Management Strategy.
- ▶ Incremental groundwater development.
- ▶ Use treated effluent to irrigate golf course.
- ▶ Rainwater harvesting
- ▶ Identification of additional boreholes/Groundwater development - a feasibility study was done to look at alternative sources.

Rietbron Alternative Water Sources

- Full implementation of a Water Conservation and Water Demand Management Strategy.

- Rainwater harvesting
- Groundwater development
- Retrofit of toilet cisterns

It is evident from the above that the lack of funding is the main obstacle in ensuring sustainability and supplying the basic level of service to the community. The Municipality is implementing WCDM measures on a monthly basis by ensuring water is available.

2.2 ELECTRICITY SERVICES

A. ELECTRICITY SERVICES DELIVERY STRATEGY AND MAIN ROLE-PLAYERS

The National Electricity Regulator has licensed Baviaans Municipality to distribute and supply electricity to all consumers within the Baviaans Municipal area, which includes Willowmore, Steytlerville and Saaimanshoek. Eskom is supplying electricity to the Vuyolwethu area in Steytlerville (376 households) and to Rietbron (360 households). 4110 households have access to electricity with exceptions being houses on private-owned land, certain rural developments and any new housing developments in progress.

B. LEVEL AND STANDARDS IN ELECTRICITY SERVICES

4059 households have access to electricity with the exceptions being houses on private land, certain rural developments and any new housing developments in progress. The tables below indicate the total households that used energy for cooking and energy for lighting.

Energy used for cooking: Baviaans: Census 2011

	TOTAL
Electricity	3733
Gas	210
Paraffin	46
Wood	598
Coal	10
Animal dung	3
Solar	3
None	3

Statssa

Energy for Lighting: Baviaans: Census 2001 vs. 2011

	2001	2011
Electricity	2688	4110
Gas	13	0
Paraffin	682	111
Candles	450	351
Solar	17	30
Other	30	7

Statssa

The majority of the MV and LV reticulation appears to be in good condition. All towns are faced with power dips that occur occasionally.

C. ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN ELECTRICITY SERVICES

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs	Target set for the f. year under review	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to electricity services	99.87%	(471) 11,6%	(471) 11.16%	0	0
2	Percentage of indigent households with access to basic electricity services	100%	0	2379	2379	100%
3	Percentage of indigent households with access to free alternative energy sources (i.e. solar geysers)	2379	471	0	0	0

D. MAJOR CHALLENGES IN ELECTRICITY SERVICES AND REMEDIAL ACTIONS

The Municipality is paying penalties to Eskom for the past 3 financial years and still in the current 2016/17 financial year that amounts to R50 000 to R70 000 per month due to exceeding the notified maximum demand. The municipality is limited to expanding and building additional RDP houses and even new future development due to bulk electricity constraints. The supply from Eskom's side needed to be upgraded to cater for additional capacity, but Eskom has supplied the Municipality with a quotation to upgrade the Eskom infrastructure that amounts to R 3 000 000.

Baviaans LM received a R3 000 000 grant from DoE during the 15/16 financial year for the upgrading of the Willowmore Electricity Infrastructure, and more particularly to increase the Notified Maximum demand from 1,5MvA to 2,1 MvA – The funds have been paid over to ESKOM to effect the upgrade

According to ESKOM the work will only be performed during the end of 2016

Steytlerville

- ▶ The main 22/11kv step-down transformer needs to be upgraded immediately due to overloading.
- ▶ Damaged pole-top boxes
- ▶ Broken kiosks
- ▶ Required clearances between MV and LV lines were partially corrected during the financial year due to limited budget available in terms of lines sharing the same structure.
- ▶ One of the mini-substations was fitted with SF₆ gas type ring main units, while others to be phased in over a number of years.

Willowmore

- ▶ Sectionalising links
- ▶ Proper pole numbers replace bundle conductor with bare conductors

2.3 SANITATION

A. SANITATION SERVICE DELIVERY STRATEGY AND MAIN ROLE-PLAYERS

Maintain and improve the existing level of service to urban communities and ensure environmentally acceptable disposal methods. Baviaans Municipality ensures regular removal of sanitation from houses with septic tanks, removal of sanitation from rural areas and DWA assist with health and hygiene.

B. LEVEL AND STANDARDS IN SANITATION SERVICES

4133 households have access to sanitation services of which 86, 44% is a waterborne level of service and the balance is attributed to other level of services such as septic tanks and ventilated improve pit latrines.

Toilet Facilities: Baviaans: Census 2011

	TOTAL
None	214
Flush toilet (connected to sewerage system)	3363
Flush toilet (with septic tank)	484
Chemical toilet	3
Pit toilet with ventilation (VIP)	116
Pit toilet without ventilation	166
Bucket toilet	167
Other	98

Statssa

The performance indicators for sanitation services are outlined below

C. ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN SANITATION SERVICES

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs	Target set for the FY under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to sanitation services	4131 90%	214	13	13	100%
2	Percentage of indigent households with access to free basic sanitation services	100%	0	2467	2467	100%
3	Percentage of clinics with access to sanitation services	100%	0	4	4	100%
4	Percentage of schools with access to sanitation services	100%	0	0	14	100%

D. MAJOR CHALLENGES IN SANITATION SERVICES AND REMEDIAL ACTIONS

- ▶ Funding for the implementation of sanitation services to rural areas.
- ▶ Training for communities' health and hygiene.
- ▶ Compliance to the Green Drop Certification.
- ▶ Upgrading of Rietbron WWTW.
- ▶ Refurbishment of septic tank system in Manenza Square in Rietbron
- ▶ Installation of Waterborne sanitation system for Willowmore, Rietbron and Steytleville and eradication of conservancy tank system.

2.4 ROAD MAINTENANCE

A. ROAD MAINTENANCE SERVICES DELIVERY STRATEGY AND MAIN ROLE-PLAYERS

To ensure adequate driving surface, and to maintain reasonable access at all times. The municipality ensures potholes are repaired immediately and gravel roads are maintained regularly. Storm water management is one of the major problems that require attention. Baviaans Municipality appointed a service provide for the development of a Storm Water Master Plan. Funding is needed to increase the scope to include Rietbron and Willowmore.

B. LEVEL AND STANDARDS IN ROAD MAINTENANCE SERVICES

The roads in Baviaans Municipality can be classified as follows:

Town	% Tar Town	% Gravel Town	% Tar Township	% Gravel Township
Willowmore	35%	65%	17% and 19% brick paving	47%
Steytlerville	30%	70%	5% and 16 % brick paving	80%
Saaimanshoek	n/a	n/a	n/a	100%
Rietbron	26%	74%	41% 13%(paved)	59%

Storm water Management System is one of the major problems in this municipality that requires urgent attention. A storm water master plan for Steytlerville was developed during the 12/13 and 13/14 financial year. Funding must be sought to increase the scope to include town like Willowmore and Rietbron.

C. ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN ROAD MAINTENANCE SERVICES

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (Actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households without access to gravel or graded roads	0	0	0	0	0
2	Percentage of road infrastructure requiring upgrade	3100	1798	3100	2945	95%
3	Percentage of planned new road infrastructure actually constructed	2945	41.5km	1.05km	2945	100%

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (Actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used.	R4,978,000	R207m	R4,978,830	2945	100%

D. MAJOR CHALLENGES IN ROAD MAINTENANCE SERVICES AND REMEDIAL ACTIONS

MAJOR CHALLENGE	REMEDIAL ACTION
Baviaans municipality has no storm water management system. A Service provider was appointed to develop a storm water master plan for Steytlerville only due to limited funding.	To source funding and appoint a service provider for the storm water management system for Willowmore and Rietbron
Limited MIG funding to improve the roads	Source funding from SBDM and DPLG
Lack of equipment to maintain roads, e.g. grader, water truck, roller, JCB	Request SBDM to assist with equipment

2.5 WASTE MANAGEMENT

A. WASTE MANAGEMENT SERVICES DELIVERY STRATEGY AND MAIN ROLE-PLAYERS

Attain and maintain minimum waste management standards in order to protect human health and the environment from possible harmful effects caused by the handling, treatment, storage and disposal of waste. The Baviaans Municipality has adopted the Integrated Waste Management Plan.

B. LEVEL AND STANDARDS IN WASTE MANAGEMENT SERVICES

The Municipality services 4845 households. The waste service delivery of Baviaans Municipality is co-ordinated from Willowmore. A regular waste removal service is provided to all households and commercial properties within the major towns in the Municipal area, except to households in rural areas. The farming areas in Baviaans Municipality do not receive a waste removal service. The provision of such a service is not at the moment envisaged by the Municipality. There are also no private waste contractors active within the municipal area.

The municipality provides a weekly (2 day per week) waste collection service to all the households (on Mondays and Tuesdays) and commercial properties (on Wednesdays) in Willowmore, Steytlerville and Rietbron.

Street cleaning (litter picking, sweeping, and cleaning of ablution facilities) is done from Mondays to Fridays in the CBD areas of Willowmore, Steytlerville and Rietbron. Baviaans Municipality utilises a black refuse bag system for all the households in the municipal area. Businesses make use of 80 litre plastic bins for the disposal of their refuse. The municipality provides residents with 10 black bags every month while businesses have to buy their own receptacles. The municipality accepts any number of bags or bins per household or business.

C. ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN WASTE MANAGEMENT SERVICES

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs	Target set for the FY under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to refuse removal services	4610	0	100%	100%	100%
2	Existence of waste management plan	Approved IWMP exists, but it is outdated				

D. MAJOR CHALLENGES IN WASTE MANAGEMENT SERVICES AND REMEDIAL ACTIONS

MAJOR CHALLENGES	REMEDIAL ACTION
The landfill sites in the municipal area do not have weighbridges and therefore the quantities of waste disposed are not exactly known.	Operational maintenance budget to be included in the cost operational budget. Source funding from other governmental bodies
There are no formal waste minimization activities taking place in Baviaans Municipality and the municipality is also not offering any recycling incentives to private people or businesses	Municipality to start recycling initiatives.
Illegal dumping is common all over the municipal area, and the municipality has to collect this waste at unnecessary cost.	Enforcement of by-law relating to illegal dumping
The municipality has recognises the need for education of people.	Awareness & training programs
No permitted landfill sites.	To permit landfill sites with assistance of SBDM, DME

MAJOR CHALLENGES	REMEDIAL ACTION
No equipment to operate landfill sites, i.e. computer, excavator, dozer	Request SBDM to assist with equipment

2.6 HOUSING AND TOWN PLANNING

A. HOUSING AND TOWN PLANNING SERVICES DELIVERY STRATEGY AND MAIN ROLE-PLAYERS

The Housing Services Delivery Strategy is to supply basic infrastructure to all inhabitants of Baviaans. The Department of Human Settlement provides the funding and project management for the project. Provide housing for needy people in Steytlerville, Willowmore and Rietbron. Enhance quality and standards of RDP houses.

The following are the role-players in housing development:

- Sarah Baartman District Municipality, Provincial Department of Human Settlement, National Department of Human Settlement and Baviaans Municipality

B. LEVEL AND STANDARDS IN HOUSING AND TOWN PLANNING SERVICES

HOUSING ANALYSIS

INSTITUTIONAL ANALYSIS (TECHNICAL SERVICES DEPARTMENT)

Baviaans' Organisational set-up comprises of 76 positions (9 vacant) in the Technical Services Department, which are scattered in Steytlerville, Willowmore and Rietbron ranging from Technical Services manager to general workers. However, in terms of addressing housing development programs, the Municipality does not have a Housing Department for dealing with housing issues. Table 1 indicates the organisational set-up in the Municipality.

Table 1: Municipal Capacity for Housing Delivery

Position	Positions		Comments
	Approved	Filled	
Management	4	4	Delegated staff on housing issues comprises of a senior admin officer a Technical Manager, building inspector and Assistant Technical manager
Technical & Financial Control	58	51	
Administrative Support	9	9	
Social Facilitation and Support	0	0	
Contracts Implementation & Management	0	0	
Total	71	64	

Source: Baviaans Municipality, 2011

In relation to housing delivery programmes the following activities are done in-house; Project Inception, Planning and Programming, Beneficiary Identification and PHB Approval, PHB Project and Business Plan Application, Financial Control and Top Structure Construction. Refer to Table 2

Table 2: Capacity to Manage Housing Delivery

Capacity to Housing Delivery	Resource Availability/Utilisation				
	In-House	Consultants	PIMMS	Contracts	Developers
Project Inception	√	√	-	-	√
Planning & Programming	√	√	-	-	-
Engineering design	-	√	-	-	-
Beneficiary Identification & PHB Approval	√	-	-	-	-
PHB Project & Business Plan Application	√	√	-	-	-
Capacity to Housing Delivery	Resource Availability/Utilisation				
	In-House	Consultants	PIMMS	Contracts	Developers
Financial Control	√	-	-	-	-
Progress Report	-	√	-	-	-
Building Construction	-	√	-	-	-
Services Installation	-	√	-	-	-
Top Structure Design	-	√	-	-	-
Top Structure Construction	√	√	-	-	-

Source: Baviaans Municipality 2011

The Housing Sector Plan along with the Housing Policy was updated and approved by Council on 30 June 2014. It also notes that there are staff shortages in the Technical Services Department.

The Housing Sector Plan dated March 2011 cites that Baviaans Municipality lacks the capacity to discharge its constitutional obligations due to shortage of key personnel and budgetary constraints. It also notes that there are staff shortages in the Technical Services Department.

Poor skill displayed among contractors is highlighted as a major factor in housing delivery in Baviaans. Contractors are not able to finish projects within the targeted financial year. The delay in project completion results in increased losses leading to projects being left unfinished. The Municipality needs to review contracts and implement punitive measures for non-compliance.

HOUSING NEEDS/ BACKLOG

The current housing backlog at Baviaans Municipality is 850 (R 49 400 000: R 65 000 subsidy/month) as per housing waiting list.

Details of the housing waiting list provided by the Baviaans Municipality are summarised as follows:

Table 3: Housing Needs

Category	Number
Special Need (disabled):	10
Steytlerville RDP houses	72
Subsidy Housing< R3 500h/h	--
Housing needed	
Down Housing	85
Current Accommodation	--
Informal settlement	--
Total	167

Table 4: Current Housing Projects (Baviaans)

Project Title	No. of Sites	Project Value	Comments
Willowmore	85 + 25 Destitute	6,900 000.00	Civil services completed
Steytlerville	72	2 806 848.00	Beneficiaries to be nominated – Land surveyors to be appointed to peg area (Shawn McMillan was appointed and work done)
Willowmore 18m2	40	3 200 000.00	
Steytlerville 18m2	82	6 560 000.00	
TOTAL	282	14 633 000.00	

Source: Baviaans Municipality, 2013

PLANNED HOUSING PROJECTS (ORDER OF PRIORITY)

Table 5: Planned Projects (Short-Term)

Project Title	No. of Sites	Project Value	Comments
Willowmore	373	10,095,645.76	373 Houses completed, but project requires rectification.

Project Title	No. of Sites	Project Value	Comments
Steytlerville	72	2 806 848.00	Baviaans Municipality appointed consultant for pre-planning phase and for project management and quality
TOTAL	445	12 902 493	

Source: Baviaans Municipality 2011

STRATEGIC FRAMEWORK

KEY ISSUES

The list below cites the issues identified.

- The Department of Human Settlement centralization of housing delivery programs creates bureaucracy.
- Baviaans Municipality does not have a Housing department within the municipality
- Municipality unable to attract permanent and adequately qualified staff
- Difficult to contract experts to deal with housing issues on a short-term basis
- Slow disbursement of funds by the PDH creates a rift between the contractors/service providers and the local authorities.
- Inflation levels affecting project implementation.
- Terrain challenges
- Updating of housing waiting list to be in line with HSS system

STRATEGIES AND PROJECTS

STRATEGIES AND PROPOSED PROJECTS

Institutional Capacity

A housing directorate/unit needs to be established. The organogram in Annexure 5 presents a full capacity building structure, which will ensure effective execution of housing projects.

Duties:

Contract Manager

- Co-ordinate and implement contracts
- Monitor claims and payments
- Contract arrangements
- Progress reports

Financial Officer

- Claims and payments

Building Inspector

- Quality management
- Co-ordination
- Monitoring

Development Support Officer

- Application for I & E Services
- Geotech
- Services Certificates
- GPs
- Surveys
- Site Plans

C. ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN HOUSING AND TOWN PLANNING SERVICES

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs	Target set for the FY under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households living in informal settlements	0	0	0	0	0
2	Percentage of informal settlements that have been provided with basic services	0	0	0	0	0
3	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	4610	282	88	0	0
4	Existence of an effective indigent policy	Approved policy & implemented				
5	Existence of SDF	Approved SDF, currently outdated. Setplan has been appointed by DRDLR to update				

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs	Target set for the FY under review	Number of HH/customer reached	Percentage of achievement during the year
6	Existence of Land Use Management System (LUMS)	Use LUMS for dealing with re-zoning, consent and all subdivision applications				

D. MAJOR CHALLENGES IN HOUSING AND TOWN PLANNING SERVICES AND REMEDIAL ACTIONS

- Creation of a housing organogram with requisite expertise
- Ensure alignment of housing backlog with bulk infrastructure, land and national obligations
- Formulate and implement strategies to meet the demand
- Capacity Building to ensure improved capability and effectiveness to ensure sustainability of the housing unit
- Data capture methods to be revised for comprehensiveness
- An integration of department programs
- Explore other alternatives in disbursement of funds by PDH
- Increase monitoring and control to ensure good quality of houses

2.7 SPATIAL PLANNING

A. PREPARATION AND APPROVAL PROCESS OF SDF:

The Baviaans Local Municipality has a Spatial Development Framework (SDF), which represents the spatial development goals of the area.

The incorporation of the previous demarcated areas Rietbron, Vondeling and Miller consequently required updating of Baviaans' SDF to include these areas. Setplan was appointed by DRDLR to update the SDF, which was adopted by Council in June 2014.

The following legislation was considered in drafting the framework:

- ✓ Constitution of the Republic of South Africa, 1996
- ✓ The National Spatial Development Perspective (NSDP) (2006)
- ✓ National Development Plan (2030)
- ✓ Municipal Systems Act (Act 32 of 2000)
- ✓ Local Government: Municipal Planning and Performance Management Regulations (GN R796 of 2001)

- ✓ Development Facilitation Act, 1995
- ✓ National Water Act (36 of 1998)
- ✓ National Heritage Resources Act (25 of 1999)
- ✓ Municipal Financial Management Act (56 of 2003)
- ✓ Subdivision of Agricultural Land Act 70 of 1970
- ✓ National Environmental Management Act no. 107 of 1998
- ✓ National Environmental Management Protected Areas Act, 2003 (Act 57 of 2003)
- ✓ The National Land Transport Act, 2009 (Act 5 of 2009)
- ✓ National Housing Act, 1997 (Act no. 107 of 1997)
- ✓ The Comprehensive Plan for Development of Sustainable Human Settlements (Breaking New Ground) (BNG) (2004)
- ✓ Comprehensive Rural Development Programme, 2009 (CRDP)
- ✓ Spatial Planning and Land Use Management Act (No. 16 of 2013)

The Spatial Development Framework presented gives spatial expression to the Baviaans Municipality's service delivery and development agenda as set out in the Municipal IDP. It also is aligned with the surrounding local municipal and district spatial frameworks as well as with the National Development Plan imperatives. The Framework establishes a settlement development framework that will address the future needs of all residents by creating a logical network of settlements within which the necessary social and community services can be provided. In addition to the delivery of human settlement land, accompanied by the necessary bulk services the following key spatial interventions have been identified for implementation during the planning period of this plan:

- The upgrading of the concrete section of R329 between Willowmore and Steytleville
- The purchasing of the Farm Wanhoop in order to secure the long term sustainability of Water Supply to Willowmore
- The development and acceptance of a human settlement strategy for the western part of the Baviaanskloof
- The implementation of the "Path out of poverty" initiatives being implemented in the Rietbron.
- Maintenance of the rural gravel road network
- Groundwater protection across the municipality, but particularly within the western and north western sectors, needs to be prioritised to ensure the long-term sustainability of the agricultural sector.

The following requirements and inputs are however required to enable the above intervention to be effective:

- Bulk Services upgrades are required before any of the larger human settlement areas can be implemented.
- The housing backlog and the associated real need for housing needs to be established - This will ultimately guide housing delivery beyond the planning term of this SDF.

B. LAND USE MANAGEMENT

Applications for rezoning, subdivision and removal of restrictive conditions in 2015/16 financial year:

Erf Number	Owner	Rez / subd / consent use	Council Res. Date	Council Res. Nr.
1854	LW Wagenaar	Add Building	Approved	n/a

C. MAJOR CHALLENGES IN SPATIAL PLANNING SERVICES AND REMEDIAL ACTIONS

- The lack of adequately trained staff due to budget constraints.
- Ineffective zoning records, specifically for the former Western District Council Area
- The public does not have easy access to information.
- The zoning regulations are outdated and cannot address the developmental needs of the residents. Setplan was appointed by the Department of Rural Development and Land Reform (DRDLR) to update Baviaans' SDF
- No strategic plan and local plans to promote and guide development
- Current land use trends e.g. densification is not addressed holistically
- No appointed Town planner, Assistant Technical Services Manager deals with Town planning issues with the assistance of Consultants

2.8 INDIGENT POLICY IMPLEMENTATION

A. PREPARATION AND APPROVAL PROCESS OF THE INDIGENT POLICY

The Indigent Policy is reviewed annually because of the anticipated changes in the economic status of households. This enables the municipality to identify challenges and improvements in the policy. The community is consulted during the IDP / Budget review processes.

B. IMPLEMENTATION OF THE POLICY

To this extent, the municipality has amended its Indigent Policy to accommodate residents in retirement villages.

2.9 OVERALL SERVICE DELIVERY BACKLOGS

Basic Service Delivery Area	30 June 2015			30 June 2016			Notes
Water backlogs (6kl / month)	Required	Budgeted	Actual	Required	Budgeted	Actual	
Backlogs to be eliminated (no HH not receiving the minimum standard service)	0	0	0	0	0	0	Bulk infrastructure is a problem
Backlogs to be eliminated (% total HH identified as backlog / total number of HH in the municipality)	0	0	0	0	0	0	All households have access to water
Spending on new infrastructure to eliminate backlogs (R000).	0	0	R44 063 979-90	0	0	R23 595 000	Upgrade of bulk infrastructure 2015/16

Basic Service Delivery Area	30 June 2015			30 June 2016			Notes
Water backlogs (6kl / month)	Required	Budgeted	Actual	Required	Budgeted	Actual	
Spending on renewal of existing infrastructure to eliminate backlog (R000)							
Total spending to eliminate backlogs (R000)	0	0	R44 063 979-90	0	0	R23 595 000	
Spending on maintenance to ensure no new backlogs (R000)	R2,0m	R2,0m	R2,0m	R2,0m	R2,0m	R2,0m	
Electricity backlogs (30 KWH / month)	Required	Budgeted	Actual	Required	Budgeted	Actual	Notes
Backlogs to be eliminated (no of HH not receiving the minimum standard service)	0	0	0	0	0	0	Bulk infrastructure is a problem
Backlogs to be eliminated (% of total HH identified as backlog / total no of HH in the municipality)	R6m	R6m	R6m	R6m	R6m	R6m	Upgrading of bulk infrastructure: WM:R3,5m; SV:R2,5m
Spending on new infrastructure to eliminate backlogs (R000)	0	0	0	0	0	0	

Electricity backlogs (30 KWH / month)	Required	Budgeted	Actual	Required	Budgeted	Actual	Notes
Spending on renewal of existing infrastructure to eliminate backlog (R000)	R6m	R6m	R6m	R2,5m	R2,5m	R2,5m	To upgrade Bulk Infrastructure
Total spending to eliminate backlogs (R000)	R6m	R6m	R6m	R2,5m	R2,5m	R2,5m	
Spending on maintenance to ensure no new backlogs (R000)	0	0	0	0	0	0	
Sanitation backlogs	Required	Budgeted	Actual	Required	Budgeted	Actual	Notes
Backlogs to be eliminated (no of HH not receiving the minimum standard service)	0	0	0	0	0	0	
Backlogs to be eliminated (% of total HH identified / total no of HH in municipality)	13 (1.9%)	0	0	13 (1.9%)	0	0	Eradication of 13 buckets in Steytleville

Spending on new infrastructure to eliminate backlogs (R000)	0	0	0				
Spending on renewal of existing infrastructure to eliminate backlog (R000)	0	0	0	R3 703 320	R3 703 320	R3 703 320	Rietbron upgrading of sewer system to waterborne
Total spending to eliminate backlogs (R000)	0	0	0	R3 703 320	R3 703 320	R3 703 320	
Spending on maintenance to ensure no new backlogs	0	0	0	0	0	0	
Basic Service Delivery Area	30 June 2015			30 June 2016			Notes
Road maintenance backlogs	Required	Budgeted	Actual	Required	Budgeted	Actual	
Backlogs to be eliminated (no of HH not receiving the minimum standard of service)	0	0	0	0	0	0	
Backlogs to be eliminated (% total HH identified as backlog / total no of HH in the municipality)							
Basic Service Delivery Area	30 June 2015			30 June 2016			Notes
Road maintenance backlogs	Required	Budgeted	Actual	Required	Budgeted	Actual	
Spending on renewal of existing infrastructure to eliminate backlog (R000)	0	0	0	R2,0 m	R2,0 m	R2,0 m	
Total spending to eliminate backlogs (R000)	0	0	0	R2,0 m	R2,0 m	R2,0 m	
Basic Service Delivery Area	30 June 2015			30 June 2016			Notes
Refuse removal	Required	Budgeted	Actual	Required	Budgeted	Actual	
Backlogs to be eliminated (no of HH not receiving the minimum standard service)	0	0	0	0	0	0	
Backlogs to be eliminated (% total HH identified as backlog / total no of HH in the municipality)	0	0	0	0	0	0	
Spending on new infrastructure to eliminate backlogs (R000)	0	0	0	0	0	0	
Spending on renewal of existing infrastructure to eliminate backlog (R000)	R235 000	R235 000	R235 000	0	0	0	Application for legalizing of landfill sites
Total spending to eliminate backlogs (R000)	R235 000	R235 000	R235 000	0	0	0	

Spending on maintenance to ensure no new backlogs (R000)	0	0	0	0	0	0	
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Basic Service Delivery Area	30 June 2015			30 June 2016			Notes
Housing & Town planning	Required	Budgeted	Actual	Required	Budgeted	Actual	
Backlogs to be eliminated (no of HH not receiving the minimum standard of service)	0	0	0				
Backlogs to be eliminated (% total HH identified as backlog / total no of HH in the municipality)	0	0	0	R14.63 3m (282)	R14.63 3m (282)	R14.63 3m (282)	
Spending on new infrastructure to eliminate backlogs (R000)	0	0	0				
Spending on renewal of existing infrastructure to eliminate backlog (R000)	0	0	0				
Total spending to eliminate backlogs (R000)	0	0	0				
Spending on maintenance to ensure no new backlogs (R000)	0	0	0	R14.63 3m (282)	R14.63 3m	R14.63 3m	

There are no service delivery backlogs at schools and clinics and none where another sphere of government is responsible.

2.10 MIG PROJECTS

The following MIG projects were completed during the year under review:

- Willowmore Upgrading of Gravel Streets, Phase 3 Part 5
- Steytlerville Upgrading of Streets and Stormwater Drainage: Phase 3 Part 5
- Rietbron High mast lightning
- LED : Construction of recycle facility in Willowmore – Phase 1
- Erasmus Kloof-Steytlerville : Construction of new Reservoir and Water Treatment Works (Nie MIG nie RBIG)
- Baviaans: Replacement of water meters (Nie MIG nie ACIP)
- Rietbron: Upgrading of Manenza Square Sewer Network. Phase 2
- Feasibility Study Wanhoop Bulk water Supply
- Baviaans: Upgrading of Sport Fields Phase 2

2.11 DISASTER MANAGEMENT

The Bavians Municipality has signed a Service Level Agreement with the Sarah Baartman District Municipality to deliver emergency services, fire and disaster.

The municipality have two trained fire services officials with the assistance of volunteers to deliver services. The posts of these officials can be viewed in the attached organogram (Annexure 5) of the municipality.

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CHAPTER 3: MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK (KPA 3)

3.1 BRIEF PRESENTATION OF LED STRATEGY/PLAN

An LED strategic & LED Action Plan were adopted by council on 12 August 2010 and are fully implemented. The LED Action Plan is the working document of the LED unit. See the updated Action Plan on page 47 and the structure of the LED unit on 329.

All LED objectives & strategies of the municipality are discussed in the IDP of the municipality. The LED objectives and strategies are well articulated within the LED Action Plan as well as competitive and comparative advantages. The action plan also makes provision for a database for LED related programmes, SMME and EPWP. The municipality has appointed 450 people in the EPWP program and 254 with the Sakha Isizwe program.

It is important for the municipality to make provision for business retention, expansion. Attraction strategies are taken into account in the LED Action and Tourism Sector Plan.

LED activity is dominated by the public sector without systematic engagement with the local business sector. Baviaans Municipality does not have a business chamber, which hinders closer cooperation and interaction with the local business sector.

Baviaans Municipality has built partnerships with various tourism organisations as well as with the Sarah Baartman District Municipality

In August 2012 cabinet agreed to the NDP which seeks to eliminate poverty and reduce unemployment by 2030. The NDP sets out firm proposals to solve the country's problems and to deepen the engagement of all South Africans from all walks of life in building the future. Focus on people's capabilities is at the center of the plan. These include education, skills, and decent accommodation, nutrition, safe communities, and social security, transport and job opportunities.

The NDP suggests the following strategies to achieve its goals:

- Creating jobs
- Expanding infrastructure
- Transition to a low carbon economy
- Transforming human settlements and the national space economy urban and rural spaces
- An integrated and inclusive rural economy
- Improving education, training and innovation
- Social protection
- Promoting health care for all
- Fighting corruption transforming society and uniting the community
-

Baviaans Municipality made a huge contribution in some of the NDP areas mentioned above during 15/16.

The next table depicts Baviaans Municipality's LED Action Plan which provides more information LED objectives and activities.

INTEGRATED LED STRATEGY AND ACTION PLAN

Objectives 3.1 – 3.7 Development priority: Local Economic Development

Focus Area	Objective	Activity	Priority	Key performance Indicator / Milestone	Project No	Budget	Who	Action	Time Frame	Comments
<u>Area 1</u> <i>Institutional development</i>	Effective LED Unit /Forum in the Baviaans	Create LED Unit	High	Establish a LED Unit	IDP 35 (b)	Total LED budget for 15/16 R25 000	M E de Beer	Establish a LED Unit & Forum Appoint a LED Manager	Established	Daily operations taking place.
	Capacitate all LED staff	Capacity workshop for LED staff	High	Organise workshops to capacitate staff	IDP 35 (b)	0	M E de Beer	Organise capacity Workshops	Done - workshops LED staff trained in SMME	Mr Barnard attended Empretec SMME Workshop in PE - SBDM programme to capacitate LED officials
	Establish a LED Office in Willowmore with weekly visits to other areas	Develop LED Office	High	Establish office with equipment needed	IDP 35 (b)	0	M E de Beer	LED Official appointed	Office established	Weekly visits to LED Office in Steytlerville. Monthly Rietbron and Baviaanskloof.
	Investigate possibility to establish a local development trust	Do investigation on a development trust	Low	Investigate how to develop a development trust	New	Unfunded	N Barnard	Attend DST meetings - CDM		CDM Development Forum is established. Two names of business people are forwarded to Sarah Baartman Districts Municipality.

Focus Area	Objective	Activity	Priority	Key performance Indicator / Milestone	Project No	Budget	Who	Action	Time Frame	Comments
Area 2 General structural problems in the way of effective LED	To address problem areas that causes economic development problems	Develop the capacity of residents through more effective education- Effective management of house holds existing income	High	Training and education of house holds - Household budget	IDP 16	R0	N.W.Barnard	Organise quarterly sessions with Old Mutual to involve as many as possible residents in all areas.	Training took place 14/15	No training from Old Mutual during 15/16
		To create an accessible environment in the Baviaans area	High	1. Accessible Resource Centre	IDP 15 (15(a))	No budget	J C Maart	Establish Resource Centres: WM, SV BK and RB – fully equipped with computers to offer basic computer classes for free to community members. Assist with CV, career-guidance, application for FET.	Centre established in all areas. The staff also assists with secretariat functions at CBP meetings.	Monthly reports provided on all activities in Youth Centre
			Medium	2. Efficient transport system	IDP 93	R0	M E de Beer	Meeting with taxi-owners re transport fee & available transport	12/13	Done
		To have access to cost effective and available municipal services	Medium	Availability of municipal services	Provision of basic infrastructure	Repair & Maintenance budget of BM	B Arends/ CFO	Repair & Maintenance budget attached / Access to power purchase points	Repair & maintenance takes place on a continuous basis	Help Desk established – quarterly reports to council.

Focus Area	Objective	Activity	Priority	Key performance Indicator / Milestone	Project No	Budget	Who	Action	Time Frame	Comments
Area 3 Structural problems in focus areas a) Agriculture	Create a productive agriculture sector. Look into the problem areas which result to poor economic development in the Baviaans area	1.Availability, capacity and cost of farm labour	Medium	1. Investigate current situation	IDP 47 IDP 15/16	R0	M E de Beer	Determine cost of farm labour. Adhere to requirements of the Act	Councillors attend meetings with farmers unions to discuss municipal related issues.	Ongoing meetings with farmers associations
				2(a) Training programme for farm workers (b)& emerging farmers (c) Attendance of special information days held by organisations	IDP 44 f	R25 000 R0	J C Maart Dept Agriculture/BM Dept of Agriculture	Organise training for farm workers	1 st Aid Training to farm workers of Willowmore.	No feedback from Steytlerville and Baviaanskloof farmers associations
				2. Agricultural training for unemployed people	IDP 46(a)	R0	J C Maart	Written request to GAC. Await their reply	GAC no funding to do training.	Contacted Elsenburg. No training available without high cost implications. Insufficient budget.
		2. Availability and cost of land	High	1. Create a Land & Agri forum	IDP 12(c)	R0	M E de Beer MM/ Arends	Done	Done.	Baviaans Land Reform Forum (BLARF)
				2. Execute AAB & LAA	IDP 12(c)	R0 No funds	M E de Beer/B Arends / CDM Planning Unit	Documents developed and adopted by council.	DMA area outstanding. SP appointed as from 1/4/14 to add DMA area to existing SDF.	Final SDF adopted
		3. Capacity of farmers	Medium	1. Expose farmers to all training programmes	IDP 16 / 44f IDP 47	R10 000	J C Maart Dept Agric	Training to farmers	1 st aid training done for farm workers October 2013	Completed

<i>Focus Area</i>	<i>Objective</i>	<i>Activity</i>	<i>Priority</i>	<i>Key performance Indicator / Milestone</i>	<i>Project No</i>	<i>Budget</i>	<i>Who</i>	<i>Action</i>	<i>Time Frame</i>	<i>Comments</i>
Area 3 Structural problems in focus areas (continue) b) Tourism c) Business	Create well-known tourism sector. Look into the problem areas which result to the poor economic development in the Bavians area	Tourism action plan	High	Execution of tourism action plan	IDP 36	Tourism Budget R250 000	J Zaayman	Execute tourism action plan on a daily basis.	On-going	Quarterly reports to council
		1. Quality of products	High	1. - To evaluate products: Arts & Craft Tourism related Products	44(a)	R132 000 SBDM	J Zaayman	CDM transferred R132 000 for craft development in Rietbron	Current	Project completed
				2 Education & training of the improvement of quality of these products	44(a)	R132 000 SBDM	J Zaayman	CDM transferred R132 000 for craft development in Rietbron	Current	Project completed
	Create an effective business sector. Look into the problem areas which result to the poor economic development in the Bavians area	2. Solve problems related to house hold businesses	High	1. Comply with legal requirements – house hold businesses	IDP 16/44f	R0	L Terblanche	Policy reviewed and tabled to council	13/14	Address issues when necessary.
				2. Business skills training for house hold businesses	44 f	R0	N Barnard	Contact SEDA for training.	On-going	Seda visited us in Dec to give assistance on registration as well as provide business training for SMMes. SEDA visited us on 17 March 2016 for a Cooperative Day workshop.

Focus Area	Objective	Activity	Priority	Key performance Indicator / Milestone	Project No	Budget	Who	Action	Time Frame	Comments
Area 3 Structural problems in focus areas c) Business (continue)		3. To address the “lack of capital” problem.	Medium	To assist SMME and businesses to obtain funds from governmental & other departments	35 b	R0	N Barnard	Improve external support system (ECDC, SEDA). Attend meetings organised by departments	On-going	Rural Development assisted with funding for the Willowmore Nursery as well as Poorman’s Friend Recycling Project. Project completed for 15/16
		4. Manage & support Blue Fire with their programme on development of 3 x SMME’s	High	Provide support to: a) Tailor Made Clothing b) Willowmore Nursery c) Sewefontein Route	IDP 32a	R0	N Barnard	Project completed	On-going	Project ended in Dec 2011. We continue our support to all SMME’s
		5. To identify unknown markets	Medium	Investigate products and markets	IDP 35(e)	R0	N Barnard	Investigate for additional markets and products	Done	Results are available. Possible market in eggs was identified. Investigate as future project. We have identified a local coop, Rainbow Chickens to explore that market. In the process of registering the project and applying for funding on their behalf. Have also met with Steven Miggels in Rietbron. I am preparing a proposal to send to Rural Development for assistance.
		6. Skills development training - Internal - External	High	Training programmes	IDP 16 / 44 f	BM internal training budget	M Lötter J C Maart	Ongoing training for staff members Lobby for training programmes	Ongoing	Training took place under WSP Elsenburg Agricultural college contacted. No funding to assist.

Focus Area	Objective	Activity	Priority	Target	Project	Budget	Who	Action	When	Comments
Area 3 Structural problems in focus areas d) Arts & Craft	Create an Arts & Craft sector. Look into the problem areas which result to the poor economic development in the Baviaans area	1. Address the absence of markets	High	Search suitable markets	IDP 44(a)	R0	J Zaayman	sbdm transferred R132 000 for craft development in Rietbron (ii) Craft Shop (BK) (iii) Museums	Done Done	Project completed for 15/16 (ii) Opened for business – quarterly reports to council. (iii) Private museums for WM, SV & RB. WM Tourism Associations took ownership of WM museum. BM applied for funding to assist WM museum (SBDM)
		2. Lack of skills & training	High	Training programmes	IDP 44 f		J C Maart/ J Zaayman	SBDM transferred R132 000 for craft development in Rietbron	Done	Project completed for 15/16
		3. Quality of products	High	Improve quality of products by organizing specialized training.	IDP 44 f		J Zaayman	SBDM transferred R132 000 for craft development in Rietbron	Done	Project completed for 15/16

Focus Area	Objective	Activity	Priority	Target	Project	Budget	Who	Action	When	Comments
Area 4 Development of focus areas Tourism Agriculture	1. Development of tourism sector to improve contribution to local economic development	Develop tourism for efficient local economic development	High	Execution of Tourism Action Plan	IDP 36 Tourism Action Plan	Tourism budget	J Zaayman	Quarterly reports to council	Monthly	Quarterly reports to council
	2. Development of agricultural sector to improve contribution to local economic development	Develop agriculture for efficient local economic development	High	Promote and develop formal and informal farmers	IDP 45(a)	RO				
				1. Promote Soil Conservation			Dept Agric	Dept Agriculture	Unknown	Dept Agric responsible
				2. Management plan for commonages	IDP 12 k	RO	Agriculture-SV Agriculture WM TSM	M Lötter/B Arends	Plan adopted	MM had meetings with commonage users. Busy with implementation of lease agreements
				3. Promotion of mohair	New	RO	S A Mohair Association	J Zaayman	New	Mohair outlet exists.
				4. Efficient use of land tax	IDP 5	RO	CFO/ Farmers	Implemented	Yearly	Project implemented

Focus Area	Objective	Activity	Priority	Target	Project	Budget	Who	Action	When	Comments
Businesses				5. Sustainable transformation (Land & Agri Forum)	IDP 12(c)	R0 – No funds	N Barnard/D ept Agriculture	Attend all Land Affair Meetings in PE	Quarterly	Suggestion from Unit to buy more agric property. Funding a problem. Presentations made to LA for additional land. Forms are available for land acquisition from Baviaans Youth and Training Centre.
	3. Development of business sector to improve contribution to local economic development	Develop business for efficient local economic development	Medium	1. To establish organized business chamber : WM & SV	IDP 35 a	R0	N Barnard/M E de Beer	Liaise with business owners and SMMEs	Quarterly	Quarterly CBP meetings with business owners.
				2. Support SMME's by local programmes and marketing	IDP 32a	0	N Barnard/	SMME's are invited to training and marketing programmes	Ongoing	No sufficient budget for 15/16
				3. Programme on "Buy local"	IDP35 (e)	R0	N Barnard	Programme to educate residents to buy from their local suppliers		SMMEs attended Boot camp Training which was provided in Dec 2015 by ABSA in conjunction with SBDM

Focus Area	Objective	Activity	Priority	Target	Project	Budget	Responsible Person	Action	When	Comments
Area 6 Research and information	Gather statistical information for an effective local economic development	Provide as much info as possible to communities	High	1. Collection of stats		35(b)	A Theunissen/N Barnard	Develop a data bank	Ongoing	Collect all possible stats
				2. Info on funding of projects		R0	N Barnard	Assist where funding is needed	Ongoing	N Barnard attends all meetings with ECDC, SEDA, Dti & Dedeat N Barnard attended LED training during 4 th Q
				3. Research & information on employment opportunities within commuting distance		R0		Research on more local projects to provide more job opportunities	Done	Research done
				4. Website updated Labour Bureau		R0		Anja / Get Labour Bureau in place.	Ongoing	Keep collecting info. Ongoing process to add trained people to website.
	Gather statistical information to determine the flow in of money in our	Obtain as much info as possible	Low	Money flowing in through : - Tourism - Agriculture - Government		R0	A Theunissen	Get info from all possible sources	Ongoing	New venture

Focus Area	Objective	Activity	Priority	Target	Project	Budget	Responsible Person	Action	When	Comments
Area 7 LED Projects in Steytlerville	Develop a sustainable project	SLA signed with ACME mining Co	High	Develop a SMME/LED centre as soon as funding is available	SMME/Centre in Steytlerville	No budget 15/16	CS	Signed SLA with ACME mining Co.	Ongoing	Mining licence approved. MOU signed. Renovations to building 16/17
	Develop a sustainable project	Identify a sustainable project for Steytlerville (previous investigations done on a brickmaking project)		Project in 14/15	Identify	R0	CS	No progress made on a LED project due to pressure on cash flow	April 15	No progress made on a LED project due to pressure on cash flow
	Develop a sustainable project	Application to open bakery in Steytlerville	High	Develop sustainable business	Bakery	R0	CS	Applied for funding through LRED & SBDM. They have been shortlisted.		Applied for funding SBDM / and LRED. No funding approved in 15/16
Area 8 LED project in Rietbron	Develop a pellet factory in Rietbron CM	Pellet Factory	High	CDM still in charge of this project	Pellet Factory	R1.4 m	CS Nicky	Feedback from Duma & Mr Mike Pearton	SBDM	Project stopped.
	Craft Project: Vondeling	Vondeling Optel Craft	High	Dependent on support from BM	Craft	BM – R0	J Zaayman	BM gives support to project	As & When	Independent business
	Craft Project: Rietbron	Rietbron Craft Project	High	Dependent on support from BM	Craft	BM – R0	J Zaayman	Applied for funding Sarah Baartman DM		Funding received. Project completed
	Brick making in Rietbron	EPWP Project	High	CDM busy with project.	Brick making & Paving	CDM budget	N Barnard	Project closed. ECDC investigating future of project. Rural Development want to provide	SBDM	No feedback from SBDM or Rural Development.

<i>Focus Area</i>	<i>Objective</i>	<i>Activity</i>	<i>Priority</i>	<i>Target</i>	<i>Project</i>	<i>Budget</i>	<i>Responsible Person</i>	<i>Action</i>	<i>When</i>	<i>Comments</i>
								assistance but a Coop must be formed and no consensus could be reached so far with the previous beneficiaries.		
	Anti-Poverty Programme Ward 4	Develop a POP centre in Rietbron	High	Develop a sustainable project	Establish a centre from where all services can be rendered	R0	CS. All departments	Continuous meetings with community and all role players	asap	Letter to all departments to request progress on project. No progress so far. The architects have drawn up the plans, expectations have been created. No assistance from any department during 15/16.

<u>Focus Area</u>	Objective	Activity	Priority	Target	Project	Budget	Responsible Person	Action	When	Comments
<u>Area 9</u> <u>LED Projects in Willowmore</u>	Develop a sustainable project	Assist Willowmore Aloe Group to start their project	High	Develop a sustainable project	Harvesting of Aloe	R0	CS/TSM	Continuous monitoring	asap	Currently busy with second round of harvesting. They groups are still harvesting. As soon as they are finished I will get a financial report from them. Experiencing problems with some of the group members who do not stick to our agreement. Had several meeting with them where a lot of finger pointing is taking place but no one wants to take responsibility. I Monitoring the situation.
	Develop a sustainable project	Recycling project in Willowmore	High	Develop a sustainable project	Recycling	R0 MIG/LED Applied for funding Rural Dev. R150 000		Meetings with Rural Development of the project.		A service provider had been appointed and he started working on the site Dec 2015. The baler also had been delivered by Rural Development. The only outstanding item is the 3 phase power. Budget for 16.127 DRLR
	Develop a sustainable project	Needle work project	Medium	Register coop and assist with technical knowledge	Needlework	R0	CS	Organise meeting with department		Member attended the Seda workshop in Dec with other SMME's where everyone completed funding application forms.

<u>Focus Area</u>	Objective	Activity	Priority	Target	Project	Budget	Responsible Person	Action	When	Comments
<u>Area 9</u> <u>LED Projects in Baviaanskloof</u>	Develop a sustainable project	Assist Sewefontein Aloe Group to start their project	High	Develop a sustainable project	Harvesting of Aloe	R0	CS	Discuss at next Sewefontein Steering Committee Meeting. Will visit Sewefontein in 2016 to find out additional information from them.	asap	Outstanding.

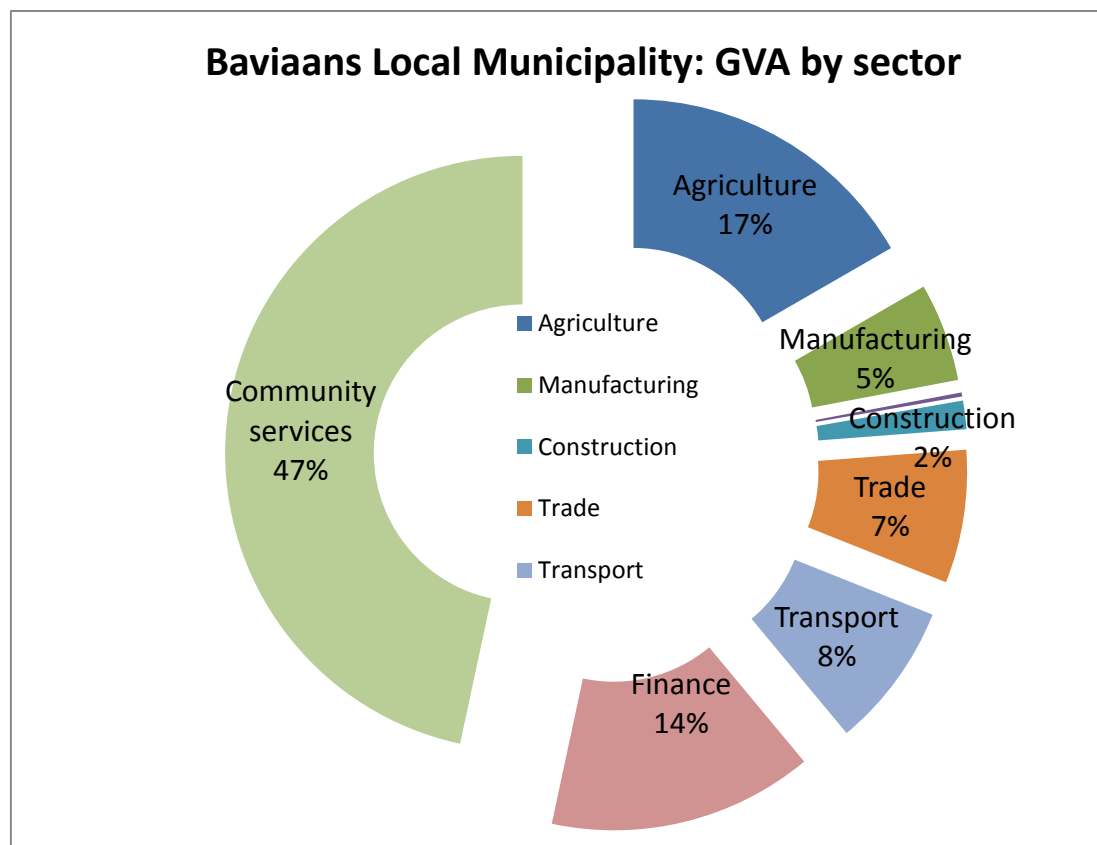
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3.2 PROGRESS TOWARDS ACHIEVING THE LED KEY OBJECTIVES

The LED priorities are informed by the SDF of Baviaans (Space economy) e.g., the document indicates that Willowmore, Steytlerville and Baviaanskloof are tourism destinations with good history.

The LED strategy Plan considers issues relating to sustainable livelihoods. The economic and social economic issues are also addressed in the LED Action Plan. It is informed by current stats and empirical evidence provided in Chapter 2, Situational Analysis (see Chapter 2 – Situational analysis).

GVA per economic sector, Baviaans



Source: IHS Global Insight

In Baviaans, the leading sectors with regard to Gross Value Added are Agriculture, Community Services (which includes government employment, public and private sectors and tourism), wholesale and retail, manufacturing and construction.

1. AGRICULTURE

Due to the climate conditions the agricultural activities within the Baviaans Municipality are primarily sheep, goat, ostrich and game farming. A study undertaken by the Agricultural Research Council in conjunction with the Cacadu District Municipality and others has revealed that the Baviaans Municipality does not have high potential agricultural land. The long distances and gravel road conditions have a negative impact on the viability of this industry. The provision of water is also a threat to this sector.

All information around agri-related programmes is shown in the LED Action Plan.

2. TOURISM

Agri- and eco-tourism form the primary tourism activities with the municipality.

From a spatial perspective the Baviaanskloof Mega Reserve project has the most potential to generate tourism revenue. The project is however located in the southern portion of the municipality, some distance from the two urban centers and the largest portion of the population. Linkages will need to be created to ensure the benefits of the project are spread throughout the municipality.

Highlights from our tourism department for 2015/16

- a) Provided Eastern Cape Tourism Association with tourism related Road Infrastructure needs
- b) Applied for funding for further development of the Steytlerville Craft project.
- c) Upgrade the tourism office a Sewefontein in the Baviaanskloof
- d) Have additional tourism maps and booklets printed and distributed
- e) Established a tourism Facebook for the Baviaans
- f) Upgraded the Tourism Website
- g) Spend funding on the maintenance of all tourism products
- h) Assisted Steytlerville Tourism Association with the marketing of the Steytlerville Cycle Race
- i) Assisted Eco Bound with the organization of the Trans Baviaans Cycle Tour.
- j) Assisted the Karoo to Coast cycle tour with accommodation
- k) Assisted SBDM to implement a Tourism Survey

3. SMALL MEDIUM AND MICRO-ENTERPRISE DEVELOPMENT

Baviaans SMME Incubator (PED Office) provides core support services to SMME development through the first few years of business

- Mentoring and coaching to SMME's
- Office support services
- Linkages to other business support structures
- SMME database and information

Regular meetings are held with the assistance of DEDEAT, ECDC and DTI. These meetings and workshops are attended by members of coops as well as the SMME's in the area.

a) Craft Development in the Baviaans

Craft development continued during 2014/15. An amount of R250 000 was spent on Phase II of the development of the Steytlerville Crafters. Quarterly statistics on all craft projects in Baviaans are tabled to council to monitor the progress made on craft development

The craft beneficiaries can be shown as:

Female – 90%

Youth - 60%

Male – 10%

Disabled – 0%

Highlights:

Crafters

- Successful Craft Development Programme and training provided to the community.
- Baviaans Craft Shop in Baviaanskloof opened in Dec 2009 and have since then been very successful
- Steytlerville group of crafters perform above expectation and opened their own 'working craft shop' in a municipal building next to our tourism office
- Positive feedback from privately owned Craft Shops in the Baviaans, offering to stock product
- Developed logo and website exclusively for crafters
- Application for funding for phase 2 for Rietbron approved. Project will start as from 1 July 2015

b) Other SMME activities

- Funding received for the implementation of the recycling programme in Willowmore
- Training provided to contractors of the Baviaans
- Assistance given to Willowmore Aloe group to start their project
- New feasibility study for Rietbron brickmaking project
- Service Level Agreement signed with ACME Mining group to renovate old building in Steytlerville to become an SMME/LED Centre

ANTI-POVERTY STRATEGY

The Eastern Cape Integrated Anti-Poverty Strategy & Implementation Plan was tabled to the Baviaans Council upon receipt in November 2012. This strategy provides a framework for joined implementation of poverty eradication programmes and service delivery across the spectrum of government and social partners. A range of priority programmes are proposed in this strategy, with a view to improve integration of services.

The strategy aims to reduce the incidence of poverty as well as to prevent the reproduction of poverty within households and communities. It will also contribute towards addressing poverty in an integrated a holistic manner.

The Department of Rural Development and Land Reform appointed a consultant to draw the plans for the Path out of Poverty Centre in Rietbron. Further actions around the erection of the building is in progress.

Development Programmes from different departments are taking place in the area as part of the strategy.

3.3 POVERTY ALLEVIATION PROGRAMMES / JOB CREATION

Objectives, strategies and projects were identified to address this issue. Baviaans Municipality is actively involved in poverty alleviation programs.

ESTABLISHMENT OF A MUNICIPAL EPWP UNIT

This unit consists out of officials dealing with the EPWP within the Municipality:

- Technical Services Manager
- Community Services Manager
- Official data capturer appointed by council
- Municipal champion for EPWP appointed by council
- LED official
- IDP / communication official
- The mayor political champion of the project
- The CFO/ Municipal Manager

JOBS CREATED

The municipality adopted an EPWP policy together with an organogram. In 2015/16, 254 Sakha Isizwe workers were employed and 1252 working opportunities were created through the EPWP programme

The municipality employed five interns & three contract workers.

3.4 ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN LED

Indicator name		Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	1	1	100%
2	Percentage of LED Budget spent on LED related activities.	R25 000	0	100%
3	Existence of LED strategy	Yes – adopted and executed		
4	Number of LED Forum meetings	4	4	4
5	Plans to stimulate the economy	Computer training Offered to youth (free) 76 people trained in 14/15 on Basic Programmes,	Target 60	Trained 76

Indicator name		Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
		Word, Excel & Power Point *See LED Action Plan attached for all LED related programmes)		
6	Percentage of SMME that have benefited from a SMME special support program (crafters)	30	30	100%
7	Number of job opportunities created through EPWP	450	450	100%
8	Number of job opportunities created through Sakha Isizwe	254	254	100%

3.5 CHALLENGES REGARDING LED STRATEGY IMPLEMENTATION

- No funding could be obtained from DEDEAT, ECDC or any other organisation for LED programmes, except from DPRD and SBDM.
- Educating the community even further around the benefits of crafting in order to get more community members involved, especially the unemployed and youth.
- Difficult to obtain funding for small groups (1-10) to start their own business. All funders are looking at cooperatives and bigger projects. Real challenge for one-man business in our poor area

Chapter 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (KPA 4)

4.1 THE FINANCIAL STATEMENTS



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Baviaans Local Municipality

1 GENERAL INFORMATION

Legal form of entity	The entity functions as a local municipality, established under Paragraph 151 of the Constitution of the Republic of South Africa, 1996, as amended.
Nature of business and principal activities	<p>Baviaans Local Municipality is a South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act. (Act No. 117 of 1998). The municipality's operations are governed by: Municipal Finance Management Act 56 of 2003, Municipal Structure Act 117 of 1998, Municipal Systems Act 32 of 2000 and various other Acts and regulations.</p>
1.1 Mayoral committee	
Mayor/Speaker	EL Loock
Councillors	DJ Bezuidenhout H Booysen ME Fivaz GA Hobson VB Lapperts TR Spogter
Grading of local authority	Grade 1
Accounting Officers	JZA Vumazonke
Business address	42 Wehmeyer Street Willowmore e 6445
Bankers	ABSA Bank, Willowmore Standard Bank, Steytlerville
Auditors	Auditor-General South Africa
Principal Activities	<p>The principal activities of the municipality are:</p> <ul style="list-style-type: none">- Provide democratic and accountable government- Ensure sustainable service delivery to the communities- Promote social and economic development- Provide basic services to the community

Baviaans Local Municipality

2 INDEX

The reports and statements set out below comprise the annual financial statements presented to the National Treasury:

2.1 Index Page

Accounting Officers' Responsibilities and Approval	3
Statement of Financial Position	4
Statement of Financial Performance	5
Statement of Changes in Net Assets	6
Cash Flow Statement	7
Statement of Comparison of Budget and Actual Amounts	8 - 11
Accounting Policies	12 - 30
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Appendix A: Appropriation Statement (Reconciliation Budget and In-year Performance)	58 - 65

2.2 Abbreviations

COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IMFO	Institute of Municipal Finance Officers
IPSAS	International Public Sector Accounting Standards
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)
SDL	Skills Development Levy
SBDM	Sarah Baartman District Municipality

Baviaans Local Municipality

3 ACCOUNTING OFFICERS' RESPONSIBILITIES AND APPROVAL

The accounting officers are required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officers to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice (GRAP) and the Municipal Finance Management Act (MFMA) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officers acknowledge that they are ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officers to meet these responsibilities, the accounting officers sets standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officers are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officers have reviewed the municipality's cash flow forecast for the year to 30 June 2017 and, in the light of this review and the current financial position, they are satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The councillors are remunerated within the upper limits of the framework envisaged in Section 219 of the Constitution, as required by the MFMA, section 124(1)(a).

The annual financial statements set out on pages 4 to 65, which have been prepared on the going concern basis, were approved by the accounting officers on 31 August 2016 and were signed by him:

3.1 Municipal Manager

Baviaans Local Municipality

4 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

Figures in Rand	Note(s)	2016	2015
Assets			
Current Assets			
Inventories	2	18 466	18 430
Other receivables	3	406 425	401 253
VAT receivable	4	2 198 699	2 858 705
Trade receivables	5	3 286 885	2 251 502
Cash and cash equivalents	6	565 439	1 224 236
		6 475 914	6 754 126
Non-Current Assets			
Investment property	7	30 188 859	31 392 859
Property, plant and equipment	8	247 599 566	228 308 009
Intangible assets	9	158 052	4
Heritage assets	10	659 164	659 164
Other receivables	50	2 648 000	-
		281 253 641	260 360 036
Total Assets		287 729 555	267 114 162
Liabilities			
Current Liabilities			
Repayment - National Revenue Fund	12	742 616	2 169 000
Finance lease obligation	13	334 442	399 604
Trade and other payables	14	25 618 380	26 418 898
Consumer deposits	15	560 280	426 323
Unspent conditional grants and receipts	16	1 112 688	(1 865 732)
		28 368 406	27 548 093
Non-Current Liabilities			
Repayment - National Revenue Fund	12	-	742 616
Finance lease obligation	13	194 770	259 644
Provisions	17	8 381 491	8 015 300
		8 576 261	9 017 560
Total Liabilities		36 944 667	36 565 653
Net Assets		250 784 888	230 548 509
Accumulated surplus		250 784 888	230 548 509

Baviaans Local Municipality

STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2016	2015
Revenue			
Property rates	18	4 782 832	4 372 948
Service charges	19	21 243 853	19 677 497
Fines, Penalties and Forfeits	20	500	800
Government grants & subsidies	21	68 668 900	69 672 627
Agency services	20	550 651	535 392
Interest received	20	406 096	708 961
Licenses and permits	20	473 358	745 656
Rental of facilities and equipment	20	185 794	199 248
Other income	20	239 822	350 571
Gains on disposal of assets	20	5 224	71 569
Public contributions and donations	20 / 51	308 215	-
Total revenue		96 865 245	96 335 269
Expenditure			
Personnel	22	(22 992 461)	(21 654 320)
Remuneration of councilors	23	(1 808 491)	(1 752 270)
Debt impairment	24	(1 552 270)	(1 390 889)
Depreciation and amortisation	25	(14 270 394)	(15 860 093)
Finance costs	26	(1 516 998)	(1 596 987)
Repairs and maintenance	27	(2 169 005)	(2 324 865)
Bulk purchases	28	(11 060 580)	(9 152 754)
Grants and subsidies paid	29	(6 289 982)	(6 710 446)
General expenses	30	(14 911 555)	(14 218 121)
Impairment of assets	31	(26 311)	-
Loss on disposal of assets	7	(30 819)	-
Total expenditure		(76 628 866)	(74 660 745)
Surplus for the year		20 236 379	21 674 524

Baviaans Local Municipality

STATEMENT OF CHANGES IN NET ASSETS

Figures in Rand		Accumulated surplus	Total net assets
Opening balance as previously reported at 01 July 2014		215 985 150	215 985 150
Adjustments			
Correction of errors	32	(7 111 165)	(7 111 165)
Balance at 01 July 2014 as restated		208 873 985	208 873 985
Changes in net assets			
Surplus for the year		21 674 524	21 674 524
Total changes		21 674 524	21 674 524
Balance at 01 July 2015		230 548 509	230 548 509
Changes in net assets			
Surplus for the year		20 236 379	20 236 379
Total changes		20 236 379	20 236 379
Balance at 30 June 2016		250 784 888	250 784 888
Note(s)			

Baviaans Local Municipality

CASH FLOW STATEMENT

Figures in Rand	Note(s)	2016	2015
Cash flows from operating activities			
Receipts			
Rates and services		-	21 290 560
Government grants & subsidies	21	68 668 900	69 672 627
Interest income	20	-	708 961
Other receipts		-	1 831 667
		68 668 900	93 503 815
Payments			
Employee costs		-	(23 406 590)
Suppliers		-	(29 424 954)
Finance costs	26	(1 423 445)	(926 128)
		(1 423 445)	(53 757 672)
Undefined difference compared to the cash generated from operations note		(23 910 986)	(236 779)
Net cash flows from operating activities	33	43 334 469	39 509 364
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(32 678 169)	(36 293 733)
Proceeds from sale of property, plant and equipment	8	(2)	104 824
Proceeds from sale of non-current assets held for sale	7	61 000	1 000
Purchase of other intangible assets	9	(184 645)	-
Movement in financial assets		(2 648 000)	-
Net cash flows from investing activities		(35 449 816)	(36 187 909)
Cash flows from financing activities			
Movement in repayment - national revenue fund		(2 169 000)	(2 220 000)
Movement in finance leases		(223 589)	(585 966)
Net cash flows from financing activities		(2 392 589)	(2 805 966)
Net increase in cash and cash equivalents		5 492 064	515 489
Cash and cash equivalents at the beginning of the year		1 224 236	471 968
Cash and cash equivalents at the end of the year	6	6 716 300	987 457

Baviaans Local Municipality

Annual Financial Statements for the year ended 30 June 2016

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Approved	Adjustments	Final	Actual amounts on comparison	between final budget and	Reference
Figures in						
4.1 Statement of Financial Performance						
Revenue						
Service charges	22 930 000	(1 471 000)	21 459 000	21 243 853	(215 147)	
Rental of facilities and equipment	253 000	-	253 000	185 794	(67 206)	D
Interest received	651 000	(361 000)	290 000	406 096	116 096	E
Agency services	756 000	(76 000)	680 000	550 651	(129 349)	F
Licenses and permits	832 000	(197 000)	635 000	473 358	(161 642)	
Other income	483 000	(483 000)	-	239 822	239 822	G
Total revenue	25 905 000	(2 588 000)	23 317 000	23 099 574	(217 426)	
Revenue from non-exchange transactions						
Property rates	4 814 000	11 000	4 825 000	4 782 832	(42 168)	
Government grants & subsidies	28 054 000	-	28 054 000	29 362 905	1 308 905	
Public contributions and donations	-	-	-	308 215	308 215	
Fines, Penalties and Forfeits	2 000	-	2 000	500	(1 500)	
Total revenue from non-exchange transactions	32 870 000	11 000	32 881 000	34 454 452	1 573 452	
Total revenue	58 775 000	(2 577 000)	56 198 000	57 554 026	1 356 026	
Expenditure						
Personnel	(24 696 000)	(263 000)	(24 959 000)	(22 992 461)	1 966 539	
Remuneration of councilors	(1 859 000)	-	(1 859 000)	(1 808 491)	50 509	
Depreciation, amortisation and impairment	(16 000 000)	(500 000)	(16 500 000)	(14 270 394)	2 229 606	J
Impairment loss	-	-	-	(26 311)	(26 311)	K
Finance costs	(1 305 000)	-	(1 305 000)	(1 516 998)	(211 998)	V
Bad debts written off	-	-	-	(1 552 270)	(1 552 270)	
Repairs and maintenance	-	-	-	(2 169 005)	(2 169 005)	
Bulk purchases	(10 620 000)	(1 380 000)	(12 000 000)	(11 060 580)	939 420	
Transfers and Subsidies	(7 328 000)	-	(7 328 000)	(6 289 982)	1 038 018	
General Expenses	(16 225 000)	(1 021 000)	(17 246 000)	(14 911 555)	2 334 445	
Total expenditure	(78 033 000)	(3 164 000)	(81 197 000)	(76 598 047)	4 598 953	
Operating deficit	(19 258 000)	(5 741 000)	(24 999 000)	(19 044 021)	(5 954 979)	
Gain / (loss) on disposal of assets and liabilities	-	-	-	(25 595)	(25 595)	
Transfers recognised - capital	34 051 000	3 199 000	37 250 000	39 305 995	2 055 995	C
	34 051 000	3 199 000	37 250 000	39 280 400	2 030 400	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	14 793 000	(2 542 000)	12 251 000	20 236 379	7 985 379	

Baviaans Local Municipality

Annual Financial Statements for the year ended 30 June 2016

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Approved	Adjustments	Final	Actual amounts on comparison	between final budget and	Reference
Figures in						
Statement of Financial Position						
Assets						
Current Assets						
Inventories	9 000	-	9 000	18 466	9 466	L
Other receivables	708 000	-	708 000	406 425	(301 575)	M
VAT receivable	-	-	-	2 198 699	2 198 699	M
Consumer debtors	1 360 000	-	1 360 000	3 286 885	1 926 885	N
Cash and cash equivalents	675 000	-	675 000	565 439	(109 561)	
	2 752 000	-	2 752 000	6 475 914	3 723 914	
Non-Current Assets						
Investment property	38 434 000	-	38 434 000	30 188 859	(8 245 141)	
Property, plant and equipment	246 114 000	2 807 000	248 921 000	247 599 566	(1 321 434)	O
Intangible assets	-	-	-	158 052	158 052	
Heritage assets	-	-	-	659 164	659 164	P
Investments in associates	231 000	-	231 000	-	(231 000)	
Other receivables	-	-	-	2 648 000	2 648 000	
	284 779 000	2 807 000	287 586 000	281 253 641	(6 332 359)	
Total Assets	287 531 000	2 807 000	290 338 000	287 729 555	(2 608 445)	
Liabilities						
Current Liabilities						
Repayment - National Revenue Fund	-	-	-	742 616	742 616	R
Finance lease obligation	660 000	-	660 000	334 442	(325 558)	S
Trade and other payables	22 531 000	-	22 531 000	25 618 377	3 087 377	T
Consumer deposits	392 000	-	392 000	560 280	168 280	
Unspent conditional grants and receipts	-	-	-	1 112 688	1 112 688	U
Provisions	1 000	-	1 000	-	(1 000)	V
	23 584 000	-	23 584 000	28 368 403	4 784 403	
Non-Current Liabilities						
Finance lease obligation	4 005 000	-	4 005 000	194 770	(3 810 230)	S
Provisions	4 452 000	-	4 452 000	8 381 491	3 929 491	V
	8 457 000	-	8 457 000	8 576 261	119 261	
Total Liabilities	32 041 000	-	32 041 000	36 944 664	4 903 664	
Net Assets	255 490 000	2 807 000	258 297 000	250 784 891	(7 512 109)	
Net Assets						
Reserves						
Accumulated surplus	255 490 000	2 807 000	258 297 000	250 784 891	(7 512 109)	

Baviaans Local Municipality

Annual Financial Statements for the year ended 30 June 2016

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Approved	Adjustments	Final	Actual amounts on comparison	between final budget and	Reference
Figures in						

The reason for the amended budget was mainly due to reallocations as well as increases to non-cash flow line items.

4.2 Statement of Performance

A - Fines

The function is performed by the Department of Roads and Transport and the municipality does not have control over the income generated.

4.3 B - Transfers recognised in Operations

The municipality managed to obtain funds from National Treasury for the re-imbursement of audit fees in excess of 1% of expenditure. The funds covered some of the excess costs for three financial years and was more than budgeted.

4.4 C - Transfers recognised in Capital

Less than expected funds were received through the Regional Bulk Infrastructure Grant.

4.5 D - Rental of facilities and equipment

There was increased use of municipal facilities over the past year, this with the increase in tariffs charged.

4.6 E - Interest received

The municipality was able to invest and manage the grant funding during the year, which related in an increase in interest earned.

4.7 F - Agency fees

The motor registration services are performed on an agency basis. Less transactions than anticipated were processed during the current financial year.

4.8 G - Other Income

Greater than expected other income was received as new service connections, pound fees and memberships increased.

4.9 H - Gains on disposal of assets

Bids received for the disposal of assets were lower than expected.

Baviaans Local Municipality

Annual Financial Statements for the year ended 30 June 2016

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Approved	Adjustments	Final	Actual amounts on comparison between final budget and	Reference
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Figures in

4.10 I - Debt impairment

Council resolved to write off all identified irrecoverable debt. The write off was greater than the available prior year provision, this in-conjunction with the current years debt impairment lead to increase in the impairment required.

4.11 J - Depreciation, amortisation and impairments

The increase in depreciation can be attributed to an increase in the cost of landfill sites. This was as a result of an investigation and calculation done by professionals for the provisional of landfill sites. The remaining useful lives of asset that were fully depreciated were also revisited this resulting in an unforeseen increase in the depreciation charge.

4.12 K - Impairment losses

The impairment was as a result of investment property being sold for less than cost. This was not foreseen during the adjustment budget period.

4.13 Statement of

Position L -

Inventories

The final inventory count was less than budgeted. This was due to a difference in anticipated water volumes and cost of operations.

4.14 M - Other Receivables and VAT Receivable

VAT Receivables form part of other receivables. The anticipated VAT receivable balance was great than anticipated at year-end.

4.15 N - Consumer debtors

Council resolved to write off all identified irrecoverable debtor. The improved debtor's recovery resulted in a reduced consumer balance as year-end.

Baviaans Local Municipality

Annual Financial Statements for the year ended 30 June 2016

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Approved	Adjustment	Final	Actual amounts on comparison	between final budget and	Reference
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Figures in

4.16 O - Property, Plant and Equipment

Less than expected funds were made available through the Regional Bulk Infrastructure Grant, which would have been utilised to complete additional projects.

4.17 P - Heritage Assets

This is the first year that the GRAP standards require heritage assets to be valued. The information was not available at the time of the adjustment budget.

4.18 Q - Non-Current Assets Held for Sale

It was not foreseen that investment properties to be sold would not be transferred by year-end.

4.19 R - Repayment – National Revenue Fund

It was anticipated that the amount full due to the National Revenue Fund, which related to Unspent Conditional Grants for 2012/13 would have been full claimed back by National Treasury. The municipality managed to negotiate extended payment terms.

4.20 S - Finance Lease obligation

Planned asset purchases during the current year did not meet the definition of a finance lease.

4.21 T - Trade payables

The municipality experienced cash flow problems during the year and was unable to pay creditors within 30 days.

4.22 U - Unspent Conditional Grants and Receipts

A Regional Bulk Infrastructure Grant claim was submitted close to year-end. Payment for the claim was received subsequently to year-end.

4.23 V - Provisions

The provision for landfill sites was reviewed by professionals. This resulted in an increase in the provision for landfill sites and the related finance charge.

Baviaans Local Municipality

Annual Financial Statements for the year ended 30 June

2016

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act No. 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement, except where specified otherwise.

The principal accounting policies, applied in the preparation of these annual financial statements, are set out below.

1.1 Presentation of currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity, rounded to R1.

1.2 Going concern

These annual financial statements were prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.3 Budget information

Budget information in accordance with GRAP 1 and 24, has been provided in the Statement of comparison of budget and actual amounts.

1.4 Comparative figures

When the presentation or classification of items in the financial statements is amended, prior period comparative amounts are also reclassified and restated, unless such comparative reclassification and / or restatement is not required by a Standard of GRAP. The nature and reason for such reclassifications and restatements are also disclosed.

Baviaans Local Municipality

Annual Financial Statements for the year ended 30 June

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Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

The presentation and classification of items in the current year is consistent with prior years.

The nature and reasons for the reclassifications and restatements are disclosed in note 32 to the financial statements.

1.5 Offsetting

Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP

1.6 Significant judgements and sources of estimation uncertainty

The use of judgement, estimates and assumptions is inherent to the process of preparing annual financial statements. These judgements, estimates and assumptions affect the amounts presented in the annual financial statements. Uncertainties about these estimates and assumptions could result in outcomes that require material adjustment to the carrying amount of the relevant asset or liability in future periods.

Judgements

In the process of applying these accounting policies, management has made the following judgements that may have a significant effect on the amounts recognised in the annual financial statements.

Baviaans Local Municipality

Annual Financial Statements for the year ended 30 June

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4.24 1.6 Significant judgements and sources of estimation uncertainty (continued)

Estimates

Estimates are informed by historical experience, information currently available to management, assumptions, and other factors that are believed to be reasonable under the circumstances. These estimates are reviewed on a regular basis. Changes in estimates that are not due to errors are processed in the period of the review and applied prospectively.

In the process of applying the entity's accounting policies, the following estimates were made:

4.25 Inventory

The estimation of the water stock in the reservoirs is based on the measurement of water via electronic level sensors, which determines the depth of water in the reservoirs, which is then converted into volumes based on the total capacity of the reservoir.

4.26 Impairments of non-financial assets

In determining the value-in-use of non-financial assets, management is required to rely on the use of estimates about the asset's ability to continue to generate cash flows (in the case of cash-generating assets). For non-cash-generating assets, estimates are made regarding the depreciated replacement cost, restoration cost, or service units of the asset, depending on the nature of the impairment and the availability of information.

4.27 Provisions

Provisions are measured as the present value of the estimated future outflows required to settle the obligation. In the process of determining the best estimate of the amounts that will be required in future to settle the provision, management considers the weighted average probability of the potential outcomes of the provisions raised. This measurement entails determining what the different potential outcomes are for a provision as well as the financial impact of each of those potential outcomes.

Management then assigns a weighting factor to each of these outcomes based on the probability that the outcome will materialise in future. The factor is then applied to each of the potential outcomes and the factored outcomes are then added together to arrive at the weighted average value of the provisions. Additional disclosure of these estimates of provisions are included in note 17 - Provisions.

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4.28 Pension and other post-employment benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate, future salary increase, mortality rates and future medical increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4.29 Effective interest rate

The municipality used the prime interest rate to discount future cash flows.

4.30 Allowance for doubtful debts

The measurement of receivables is derived after consideration of the allowance for doubtful debts. Management makes certain assumptions regarding the categorisation of debtors into groups with similar risk profiles, so that the effect of any impairment on a group of receivables would not differ materially from the impairment, that would have been determined had each debtor been assessed for impairment on an individual basis. The determination of this allowance is predisposed to the utilisation of estimates, assumptions and management judgements. In determining this allowance the estimates are made about the probability of recovery of the debtors based on their past payment history and risk profile.

4.31 Provision for rehabilitation of refuse landfill sites

The entity has an obligation to rehabilitate its landfill sites in terms of its license stipulations. Provision is made for this obligation based on the size / extent of the land to be rehabilitated, the rehabilitation cost per square meter, the monitoring cost per square meter, and the rehabilitation period. Current costs are projected using the average rate of inflation over the remaining period until rehabilitation, and then discounted to their present value using an appropriate discounting rate, representing the time value of money.

Baviaans Local Municipality

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1.6 Significant judgements and sources of estimation uncertainty

(continued) Depreciation and amortisation

Depreciation and amortisation recognised on property, plant and equipment and intangible assets are determined with reference to the useful lives and residual values of the underlying items. The useful lives and residual values of assets are based on management's estimation of the asset's current condition, expected condition at the end of the period of use, its current use, expected future use and the entity's expectations about the availability of finance to replace the asset at the end of its useful life. In evaluating the useful life and residual value, management considers the impact of technology and minimum service requirements of the assets.

4.32 Inventory

The value of water inventory is calculated by considering the quantity of water in the pipes and is estimated based on the dimensions/measurements of the pipes and the average cost per KL.

1.7 Investment property

Initial recognition and measurement

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services, to meet service delivery objectives, for administrative purposes or sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

The cost of self-constructed investment property is the cost at date of completion.

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Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property (property, plant and equipment), the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the entity accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

The cost of day to day servicing of investment property is recognised in the Statement of Financial Performance as incurred. Subsequent measurement

4.33 Cost model

Subsequent to initial recognition, investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation recognised on investment property is determined with reference to the useful lives and residual values of the underlying items. Depreciation is provided to write down the cost, less estimated residual value by equal instalments over the useful life of the property, which is as follows:

4.34 Item

Property - land
Property - buildings

Useful life
indefinite
30 years

Land is not depreciated as it is considered to have an indefinite useful life.

Impairments

Baviaans Local Municipality

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1.7 Investment property (continued)

The entity tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an investment property is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of the impairment is recognised in the Statement of Financial Performance.

Derecognition

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Financial Performance in the period of retirement or disposal.

1.8 Property, plant and equipment

Initial recognition

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits or service potential associated with the item will flow to the municipality and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

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The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the cost of dismantling and removing the asset and restoring the site on which it is operated.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Major spare parts and servicing equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and servicing equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Subsequent measurement

Subsequent to initial recognition, property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for land, which is not depreciated as it is deemed to have an indefinite useful life.

Subsequent expenditure

Where the entity replaces part of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Depreciation

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4.35 1.8 Property, plant and equipment (continued)

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value. Components that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciable amount is determined after taking into account an asset's residual value.

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1.8 Property, plant and equipment (continued)

The annual depreciation rates are based on the following estimated useful lives:

4.36 Item	Average useful life
Infrastructure	
• Roads and paving	10-30 years
• Water	15-20 years
• Pedestrian malls	20 years
• Electricity	20-30 years
• Sewerage	15-20 years
• Gas	20 years
• Airports	20 years
• Security	3-5 years
Community	
• Buildings	30 years
• Recreational equipment	20 years
Other property, plant and equipment	
• Buildings	30 years
• Office equipment	3-7 years
• Furniture and fittings	7-10 years
• Bins and containers	5-10 years
• Emergency equipment - Fire hoses and emergency lights	5 years
• Emergency equipment - Other firefighting equipment	15 years
• Motor vehicles - Motor cycles	3 years
• Motor vehicles - Fire engines	20 years
• Motor vehicles - Other	5-10 years
• Plant and equipment - Farming and construction	10-15 years
• Plant and equipment - Specialised equipment	5 years
• Plant and equipment - Lawn mowers	2 years
• Other	15 years

Impairments

The entity tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the Statement of Financial Performance in the period that the impairment is identified.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of the impairment is recognised in the Statement of Financial Performance.

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Derecognition

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

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1.9 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. The entity recognises an intangible asset in its Statement of Financial Position when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and the cost or fair value of the asset can be measured reliably.

An internally generated intangible asset is subject to strict recognition criteria before it is capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- the entity intends to complete the intangible asset, for use or sale
- it is technically feasible to complete the intangible asset
- the entity has the resources to complete the project
- it is probable that it will generate future economic benefits or service potential.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are initially recognised at cost.

An intangible asset acquired through a non-exchange transaction, the cost shall be its fair value as at the date of acquisition.

The cost of an intangible asset is amortised over the useful life where that useful life is finite. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Financial Performance in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life assumption continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

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Amortisation and impairment

Amortisation is charged to write off the cost of intangible assets over their estimated useful lives using the straight-line method. The annual amortisation rates are based on the following estimated average asset lives:

Computer software, other	5 years
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Impairments

The entity tests intangible assets with finite useful lives for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is performed at each reporting date. Where the carrying amount of an item of an intangible asset is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

Derecognition

Intangible assets are derecognised on disposal or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss is the difference between the net disposal proceeds, if any, and the carrying amount. It is recognised in surplus or deficit when the asset is derecognised.

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1.10 Financial instruments Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Upon initial recognition the entity classifies financial instruments or their component parts as financial liabilities, financial assets or residual interests in conformity with the substance of the contractual arrangement and to the extent that the instrument meets the relevant definitions.

Financial instruments are evaluated, based on their terms, to determine if those instruments contain both liability and residual interest components (i.e. to assess if the instruments are compound financial instruments). To the extent that an instrument is in fact a compound instrument, the components are classified separately as financial liabilities and residual interests as the case may be.

4.37 Initial measurement

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

4.38 Subsequent measurement

Subsequent to initial recognition, financial assets and financial liabilities are measured at fair value, amortised cost or cost. All financial assets and financial liabilities are measured after initial recognition using the following categories:

a) Financial instruments at fair value:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
 - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

b) Financial instruments at amortised cost

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Non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that the entity designates at fair value at initial recognition or are held for trading.

c) Financial instruments at cost

Investments in residual interest, which do not have quoted market prices and for which fair value cannot be determined reliably.

The entity assesses which instruments should be subsequently measured at fair value, amortised cost or cost, based on the definitions of financial instruments at fair value, financial instruments at amortised cost or cost, based on the definitions of financial instruments at fair value, financial instruments at amortised cost or financial instruments at cost as set out above.

4.39 Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

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1.10 Financial instruments (continued) Impairments

All financial assets measured at cost or amortised cost are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

The entity first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant and individually or collectively for financial assets that are not individually significant. If the entity determines that no objective evidence of impairment exists for an individually assessed asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly or by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

4.40 Derecognition Financial assets

The entity derecognises financial assets using trade date accounting.

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The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

4.41 Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when the obligation is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

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1.10 Financial instruments (continued)

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

1.11 Leases

Finance leases - lessee

Initial recognition

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the entity through the lease agreement. Assets subject to finance leases are recognised in the Statement of Financial Position at the inception of the lease, as is the corresponding finance lease liability.

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease. Subsequent measurement

Subsequent to initial recognition the finance lease liability is carried at amortised cost, with the lease payments being set off against the capital and accrued interest. The allocation of the lease payments between the capital and interest portion of the liability is effected through the application of the effective interest method.

The finance charges resulting from the finance lease are expensed, through the Statement of Financial Performance, as they accrue. The finance cost accrual is determined using the effective interest method.

Finance lease liabilities are derecognised when the entity's obligation to settle the liability is extinguished. The assets capitalised under the finance lease are derecognised when the entity no longer expects any economic benefits or service potential to flow from the asset.

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4.42 Operating leases - lessor

For those leases classified as operating leases the asset subject to the lease is not derecognised and no lease receivable is recognised at the inception of the lease.

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. The difference between the straight-lined lease payments and the contractual lease payments are recognised as either an operating lease asset or operating lease liability. An operating lease liability is raised to the extent that lease payments are received in advance (i.e. the straight-line lease payments are more than the contractual lease payments). The operating lease asset and / or operating lease liability are measured as the undiscounted difference between the straight-line lease receipts and the contractual lease receipts.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

Income for leases is disclosed under revenue in the statement of financial performance.

4.43 Operating leases - lessee

Assets subject to operating leases, i.e. those leases where substantially all of the risks and rewards of ownership are not transferred to the lessee through the lease, are not recognised in the Statement of Financial Position.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

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1.12 Inventories

Initial recognition and measurement

Inventories are initially measured at cost. Cost refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their required location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Water inventory is being measured by multiplying the cost per kilo litre of purified water by the amount of water in storage.

Where inventory is acquired for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

Subsequent measurement

Inventories, consisting of consumable stores, raw materials, work-in-progress (WIP) and finished goods (FG), are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost.

Water inventory is measured annually at the reporting date by way of dip readings and the calculated volume in the distribution network.

Redundant and slow-moving inventories are identified and written down from cost to net realisable

value. Derecognition

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

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1.13 Impairment of cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. **Identification**

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

4.44 Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

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1.13 Impairment of cash-generating assets (continued) Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

4.45 Recognition and measurement

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-

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generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

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1.13 Impairment of cash-generating assets (continued) Reversal of impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

1.14 Employee benefits

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

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Short term employee benefits are recognised in the Statement of Financial Performance as services are rendered, except for non-accumulating benefits, which are recognised when the specific event occurs. These short-term employee benefits are measured at their undiscounted costs in the period the employee renders the related service or the specific event occurs.

4.46 Post-employment benefits

The entity provides post-employment benefits for its officials. These benefits are provided as either defined contribution plans or defined benefit plans. The entity identifies as defined contribution plans any post-employment plan in terms of which it has no obligation to make further contributions to the plan over and above the monthly contributions payable on behalf of employees (for example in the event of a funding shortfall). Any other plans are considered to be defined benefit plans.

4.47 Defined contribution plans

Contributions made towards the fund are recognised as an expense in the Statement of Financial Performance in the period that such contributions become payable. This contribution expense is measured at the undiscounted amount of the contribution paid or payable to the fund. A liability is recognised to the extent that any of the contributions have not yet been paid.

Conversely an asset is recognised to the extent that any contributions have been paid in advance.

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1.14 Employee benefits (continued) Post-retirement medical obligations

The municipality provides post-retirement medical benefits by subsidising the medical contributions of certain retired staff members according to the rules of the medical aid funds. Council pays 70% of the contributions and the remaining 30% is paid by the members.

The entitlement to post-retirement medical benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Independent qualified actuaries carry out valuations of these obligations, in accordance with GRAP 25 - "Employee Benefits". The plan is unfunded.

The contributions are recognised in the statement of financial performance when the employees have rendered the service entitling them to the contribution. The liability was calculated by means of the projected unit credit actuarial valuation method. The liability is recognised at the present value of the defined benefit obligation at the reporting date, minus the fair value of the plan assets (if any) out of which the obligations are to be settled directly, plus any liability that may arise as a result of minimum funding requirements. Payments made by the municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries, and are recognised in the Statement of Financial Performance upon valuation.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are recognised in the Statement of Financial Performance in the period that it occurs. These obligations are valued annually by independent qualified actuaries.

1.15 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be

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received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditure for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 43.

1.16 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrues to the entity directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable, excluding indirect taxes, rebates and discounts.

4.48 Recognition

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1.16 Revenue from exchange transactions (continued)

Revenue from exchange transactions is only recognised once all of the following criteria have been satisfied:

- a) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- b) The amount of revenue can be measured reliably; and
- c) It is probable that the economic benefits or service potential associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue arising out of situations where the entity acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the entity as compensation for executing the agreed services.

Specific exchange revenue sources

Service charges relating to electricity and water are based on consumption. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Electricity meters in industrial areas are read at the end of each month and billed the following month. Premises with high- tension electricity supplies are read and billed monthly.

Revenue arising from the consumption of electricity and water in the month of June is fully accounted for whether invoiced or not.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale. At reporting date, an estimate of the prepaid electricity consumed is made and revenue is adjusted accordingly. The estimate is based on trend analysis and historical data of electricity consumption.

Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved from Council and are levied monthly.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff. Tariffs are determined per category of property usage and are levied on a monthly basis.

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Rental income arising on facilities and equipment is accounted for on a straight-line basis over the lease terms on ongoing leases.

4.49 Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and rebates.

1.17 Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

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1.17 Revenue from non-exchange transactions (continued) Recognition

Revenue from non-exchange transactions is only recognised once all of the following criteria have been satisfied:

- a) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- b) The amount of revenue can be measured reliably; and
- c) It is probable that the economic benefits or service potential associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Council applies a flat rating system. The same rate factor is applied for land and buildings. In terms of this system, assessment rates are levied on the value of land and buildings in respect of properties. Rebates are granted according to the use of the property concerned. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis.

Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Fines are recognised when it is probable that future economic benefits will flow to the entity, the costs can be reliably measured and all restrictions have been complied with. Fines constitute both spot fines and summonses. Revenue from spot fines is recognised when payment is received and the revenue from the issuing of summonses is recognised when collected. Due to the various legal processes that can apply to summonses and the inadequate information available from the courts, it is not possible to measure this revenue in the invoicing period.

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset and there is not a corresponding liability in respect of related conditions.

4.50 Measurement

An asset that is recognised as a result of a non-exchange transaction is recognised at its fair value at the date of the transfer. Consequently, revenue arising from a non-exchange transaction is measured at the fair value of the asset received, less the amount of any liabilities that are also recognised due to conditions that must still be satisfied.

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Where there are conditions attached to a grant, transfer or donation that gave rise to a liability at initial recognition, that liability is transferred to revenue as and when the conditions attached to the grant are met.

Grants without any conditions attached are recognised as revenue in full when the asset is recognised, at an amount equalling the fair value of the asset received.

Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor.

1.18 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.19 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

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1.20 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.21 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.22 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if the related party entity and other entity are subject to common control.

Transactions between related parties other than transactions that would occur within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the entity would have adopted if dealing with that individual or entity at arm's length in the same circumstances are disclosed within the annual financial statements.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.23 Heritage assets

Heritage assets, which are culturally significant resources and which are shown at cost, are not depreciated due to the uncertainty regarding their estimated useful lives.

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4.51 Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

4.52 Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

4.53 Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

4.54 Impairment

The municipality assess at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

4.55 Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset. Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

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1.23 Heritage assets (continued) Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognised.

1.24 Taxes - Value added tax

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of value added tax recoverable from, or payable to the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

1.25 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are measured at the lower of its carrying amount and fair value less costs to sell.

1.26 Share capital / contributed capital

An equity instrument is any contract that evidences a residual interest in the assets of an municipality after deducting all of its liabilities.

1.27 Capital commitments

Capital commitments disclosed in the financial statements represents the contractual balance committed to the capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date.

1.28 Post-reporting date events

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Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that is indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amounts recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.29. New standards and interpretations

1.29.1 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2016 or later periods:

- | | |
|--|---------------|
| • GRAP 18: Segment Reporting | 01 April 2015 |
| • GRAP 105: Transfers of functions between entities under common control | 01 April 2015 |
| • GRAP 106: Transfers of functions between entities not under common control | 01 April 2015 |

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-
- GRAP 107: Mergers

01 April 2015

DRAFT

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2. Inventories

Water	18 466	18 430
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3. Other receivables

SBDM - Amalgamation expenses recoverable	888	-
Cash shortages	580	23 428
Payments in advance	29 957	2 825
Prepaid expenses	375 000	375 000
	406 425	401 253

Cash shortages relates to a claim against an employee in the 2014 financial year. In the 2015 financial year the movement relates to cash shortages/amounts overbanked from banking cash takings.

4. VAT receivable

VAT	2 198 699	2 858 705
Opening Balance	2 858 705	2 341 752
Net Movement for Output and Input VAT	818 864	5 844 241
Refunds received	(5 876 268)	(5 327 288)
Closing Balance	(2 198 699)	2 858 705

The municipality is registered for VAT on the payment basis.

5. Trade receivables

Gross balances		
Rates	2 054 907	1 843 494
Electricity	377 766	185 942
Water	1 523 407	439 181
Waste water	34 472	24 724
Sewerage	405 806	103 216
Refuse	512 826	161 532
Other	109 742	33 951
Payments received in advance	(135 893)	(102 656)
	4 883 033	2 689 384
Debtors with credit balances	161 787	140 334
Less: Provision for debt impairment	(1 757 935)	(578 216)
	(1 596 148)	(437 882)

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Net balance

3 286 885

2 251 502

Rates

Current (0 -30 days)

84 735

60 054

31 - 60 days

35 930

36 540

61 - 90 days

28 774

19 594

91 - 120 days

26 053

17 415

121 - 365 days

1 879 415

1 709 891

2 054 907

1 843 494

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5. Trade receivables (continued)

Electricity

Current (0 -30 days)	217 840	158 727
31 - 60 days	52 219	16 752
61 - 90 days	35 971	4 697
91 - 120 days	5 892	4 444
121 - 365 days	65 844	1 322
	377 766	185 942

Water

Current (0 -30 days)	179 923	110 204
31 - 60 days	158 105	236 009
61 - 90 days	146 120	52 252
91 - 120 days	130 723	20 749
121 - 365 days	908 536	19 967
	1 523 407	439 181

Waste water

Current (0 -30 days)	21 483	22 644
31 - 60 days	4 895	1 258
61 - 90 days	2 554	132
91 - 120 days	234	203
121 - 365 days	5 306	487
	34 472	24 724

Sewerage

Current (0 -30 days)	50 765	41 402
31 - 60 days	34 868	29 438
61 - 90 days	30 912	20 243
91 - 120 days	29 175	7 624
121 - 365 days	260 086	4 509
	405 806	103 216

Refuse

Current (0 -30 days)	99 550	82 461
31 - 60 days	51 721	40 520
61 - 90 days	42 550	25 260
91 - 120 days	33 079	7 615
121 - 365 days	285 926	5 676
	512 826	161 532

Debtors with credit balances
Provision for debt impairment

161 787	140 334
(1 757 935)	(578 216)
(1 596 148)	(437 882)

Payments received in advance

Current (0 -30 days)	(135 893)	(102 656)
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5. Trade receivables (continued)

Other

Current (0 -30 days)	23 618	10 917
31 - 60 days	15 382	1 976
61 - 90 days	15 143	2 262
91 - 120 days	15 157	2 282
121 - 365 days	40 442	16 514
	109 742	33 951

Summary of debtors by customer classification

Consumers

Current (0 -30 days)	290 363	196 732
31 - 60 days	263 938	322 316
61 - 90 days	248 841	110 314
91 - 120 days	238 472	54 648
121 - 365 days	3 382 219	1 700 705
	4 423 833	2 384 715

Industrial/ commercial

Current (0 -30 days)	143 495	96 976
31 - 60 days	5 815	8 560
61 - 90 days	553	3 258
91 - 120 days	785	856
121 - 365 days	11 559	21 134
	162 207	130 784

National and provincial government

Current (0 -30 days)	108 162	93 754
31 - 60 days	83 368	31 618
61 - 90 days	52 630	10 869
91 - 120 days	1 058	4 828
121 - 365 days	51 775	36 525
	296 993	177 594

Total

Current (0 -30 days)	542 020	383 754
31 - 60 days	353 121	362 493
61 - 90 days	302 024	124 441
91 - 120 days	240 314	60 332
121 - 365 days	3 445 554	1 758 364

Debtors with credit balances

Less: Provision for debt impairment

4 883 033	2 689 384
161 787	140 334
(1 757 935)	(578 216)
3 286 885	2 251 502

Total debtor past due but not impaired

61 - 90 days	130 941	38 594
91 - 120 days	46 082	24 902
121 - 365 days	1 340 930	1 054 210
	1 517 953	1 117 706

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5. Trade receivables (continued)

Reconciliation of allowance for impairment

Balance at beginning of the year	(578 216)	(4 152 075)
Contributions to allowance	(1 552 270)	(1 390 889)
Debt impairment written off against allowance	372 551	4 964 748
	(1 757 935)	(578 216)

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	715	715
Bank balances	755 852	889
649		
Short-term deposits	(191 128)	333
872		
	4.56 565 439	1 224 236

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2016	30 June 2015	30 June 2014	30 June 2016	30 June 2015	30 June 2014
ABSA Bank - Cheque Account - 4053623514						
Standard Bank - Cheque Account - 280252013						
Standard Bank - Call Investment Account - 28875729-001						
ABSA Bank - Fixed deposit - 92- 8656-0237						
Standard Bank - Fixed deposit - 638442060-001						
ABSA Bank - Fixed deposit - 91- 6875-2598						

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54 2016 Financial Statements for the year ended 30 June -		2015		2016		2015	
578 046	54 2016	389 030	389 030	530 889	530 889	512 266	512 266
2016	2016	345 032	345 032	-	-	1 000	1 000
224 963	377	-	1 942	2 631	-	1 942	2 631
383	76	-	-	463	-	-	463
864	224	-	-	-	-	-	-
963	377	-	-	-	-	-	-
383	116 031	-	270 470	-	-	270 470	-
-	-	-	61 460	-	-	61 460	-
-	6	-	-	-	-	-	-

4.57 Total 803 009

1 254 166 476 174 755 852 1 223 521 471 343

7. Investment property

	2016			2015		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property 859	31 031 359	(842 500)	30 188 859	32 235 359	(842 500)	31 392 859

4.58 Reconciliation of investment property - 2016

	Opening balance	Disposals	Transfers	Total
Investment property 859	31 392 859	(61 000)	(1 143 000)	30 188 859

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7. Investment property (continued)

Reconciliation of investment property - 2015

	Opening balance	Total
Investment property	31 392 859	31 392 859
Fair value of investment properties	-	45 112 000

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Neither operation costs nor income was derived from investment properties.

8. Property, plant and equipment

	2016			2015		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	1 255 925	-	1 255 925	485 537	-	485 537
Community assets	1 652 238	(1 151 173)	501 065	1 652 238	(1 046 744)	605 494
Infrastructure	419 714 183	(183 772 775)	235 941 408	327 029 434	(170 845 921)	156 183 513
Landfill sites	3 304 291	(867 486)	2 436 805	3 304 291	(578 323)	2 725 968
Leased and other assets	11 228 495	(8 710 578)	2 517 917	11 313 574	(8 647 367)	2 666 207
Buildings	7 064 753	(5 528 716)	1 536 037	6 463 455	(5 437 394)	1 026 061
Work-in-progress	3 410 409	-	3 410 409	64 615 229	-	64 615 229
Total	447 630 294	(200 030 728)	247 599 566	414 863 758	(186 555 749)	228 308 009

4.59 Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Disposals	Transfers	Depreciation	Impairment loss	Total
Land	485 537	-	-	770 388	-	-	1 255 925
Community assets	605 494	-	-	-	(104 429)	-	501 065
Infrastructure	156 183 513	-	-	92 684 749	(12 926 854)	-	235 941 408
Buildings	1 026 061	228 686	-	372 611	(80 020)	(11 301)	1 536 037
Landfill sites	2 725 968	-	-	-	(289 163)	-	2 436 805
Lease and other assets	2 666 207	740 869	(30 817)	-	(843 333)	(15 009)	2 517 917
Work-in-progress	64 615 229	31 708 614	-	(92 913 434)	-	-	3 410 409
Total	228 308 009	32 678 169	(30 817)	914 314	(14 243 799)	(26 310)	247 599 566

Reconciliation of property, plant and equipment - 2015

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	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Land	485 537	-	-	-	-	485 537
Community assets	709 922	-	-	-	(104 428)	605 494
Infrastructure	160 314 474	-	-	9 782 464	(13 913 425)	156 183 513
Buildings	1 109 886	-	-	-	(83 825)	1 026 061
Landfill sites	3 015 129	-	-	-	(289 161)	2 725 968
Leased and other assets	4 026 059	142 513	(33 249)	-	(1 469 116)	2 666 207
Work-in-progress	38 247 802	36 149 891	-	(9 782 464)	-	64 615 229
	207 908 809	36 292 404	(33 249)	-	(15 859 955)	228 308 009

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8. Property, plant and equipment (continued)

Contractual commitments for the acquisition of property, plant and equipment

Infrastructure	19 659 483	25 877 214
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A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

9. Intangible assets

	2016			2015		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	650 988	(492 936)	158 052	466 343	(466 339)	4

4.60 Reconciliation of intangible assets - 2016

	Opening balance	Additions	Amortisation	Total
Computer software	4	184 645	(26 597)	158 052

4.61 Reconciliation of intangible assets - 2015

Opening balance	Total
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10. Heritage assets

	2016			2015		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Historical monuments	659 164	-	659 164	659 164	-	659 164

4.62 Reconciliation of heritage assets 2016

	Openin g balanc e	Total
Historical monuments	659 164	659 164

4.63 Reconciliation of heritage assets 2015

	Openin g balanc e	Total
Historical monuments	659 164	659 164

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11. Non-current assets held for sale

Reconciliation - 2015	Opening balance	Additions	Disposals	Total
Non-current assets held for sale	1 000	-	(1 000)	-

Erf 2119 was sold but had not yet been transferred at 30 June 2015.

12. Repayment - National Revenue Fund At amortised cost

National Treasury 616	742 616	2 911
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The municipality applied for a roll over on the 2012/2013 unspent conditional grants. The application was denied and the municipality is required to repay R5,131,616.

The amount is repayable and will be deducted from the 2015/16 and 2016/17 tranches of the equitable share grant.

Non-current liabilities

At amortised cost	-	742 616
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Current liabilities

At amortised cost	742 616	2 169 000
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13. Finance lease obligation

Minimum lease payments due

- within one year	370 883	455 486
- in second to fifth year inclusive	201 259	282 706
	572 142	738 192
less: future finance charges	(42 930)	(78 944)
Present value of minimum lease payments	529 212	659 248

Present value of minimum lease payments due

- within one year	334 442	399 604
- in second to fifth year inclusive	194 770	259 644
	529 212	659 248

Non-current liabilities	194 770	259 644
Current liabilities	334 442	399 604
	529 212	659 248

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The average lease term was 5 years and the effective borrowing rate ranges between prime and prime less 1.5%. The municipality's obligations under finance leases are secured by the lessor's title over the leased assets. .

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14. Trade and other payables

Trade payables	23 126 458	24 243 564
Payments received in advanced	112 602	153 192
Salaries control	79 234	60
Leave pay	1 252 572	1 095 318
Direct deposits not receipted	176 073	82 438
Sundry deposits	8 456	5 727
Retentions	26 267	101 187
Debtors with credit balances	161 787	140 334
Bonus accrual	674 931	597 078
	25 618 380	26 418 898

15. Consumer deposits

Electricity	26 055	26 510
Water	534 225	399 813
	560 280	426 323

No interest accrues on consumer deposits as Baviaans Municipality is not a deposit taking entity in terms of the Banking Act.

16. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

DORA grants

Municipal Infrastructure Grant	248 055	-
Regional Bulk Infrastructure Grant	-	(2 687 598)
Municipal Systems Improvement Grant	3 011	-
	-	-

Other sector departmental grants

Rapid Response - DWA	498 615	498 615
Water and Sanitation	200 000	200 000
Sarah Baartman - LED Grant	103 007	63 251
Sarah Baartman - Tourism Grant	60 000	60 000

1 112 688	(1 865 732)
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Movement during the year

Balance at the beginning of the year	(1 865 732)	600 371
Additions during the year	45 991 648	42 759 493
Income recognition during the year	(43 013 228)	(45 225 596)
	1 112 688	(1 865 732)

See note 21 for reconciliation of grants from National/Provincial Government.

The overall closing balance of unspent conditional grants in 2014/15 is reflected as an amount receivable (Debit). This was due to amounts already paid and claimed by the municipality on the Regional Bulk Infrastructure Grant amounting to R2,6 million.

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The other sector departmental grants are correctly disclosed as liabilities relating to unspent portions at 30 June 2015 and 30 June 2016.

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17. Provisions

Reconciliation of provisions - 2016

	Note	Opening Balance	Additions	Total
Rehabilitation of landfill		3 946 024	366 191	4 312 215
Long service awards	49	1 771 850	-	1 771 850
Post employment medical aid	49	2 297 426	-	2 297 426
		8 015 300	366 191	8 381 491

Reconciliation of provisions - 2015

	Opening Balance	Additions	Total
Rehabilitation of landfill	3 610 930	335 094	3 946 024
Long service awards	1 685 661	86 189	1 771 850
Post employment medical aid	2 464 046	(166 620)	2 297 426
	7 760 637	254 663	8 015 300

Annual Bonuses

Bonuses are paid out to all employees (except for senior management) during November each year and are based on a 13th monthly basic salary.

4.64 Long service awards

Long service awards to eligible employees are paid for services rendered by employees of 5 years and longer in five year intervals. The service awards are paid as per the collective agreement of 21 February 2011, signed by the Bargaining Council. The basis on which this was calculated is as follows:

- After 5 Continuous Years of Service - 2% of Basic Annual Salary
- After 10 Continuous Years of Service - 3% of Basic Annual Salary
- After 15 Continuous Years of Service - 4% of Basic Annual Salary
- After 20 Continuous Years of Service - 5% of Basic Annual Salary
- After 25 Continuous Years of Service - 6% of Basic Annual Salary
- After 30 Continuous Years of Service - 6% of Basic Annual Salary
- After 35 Continuous Years of Service - 6% of Basic Annual Salary
- After 40 Continuous Years of Service - 6% of Basic Annual Salary
- After 45 Continuous Years of Service - 6% of Basic Annual Salary

4.65 Post-employment medical benefits

This provision was valued by an independent valuator as at 30 June 2015. The valuation of this liability considers all employees, retired employees and their dependants who participate in the medical aid arrangements and are entitled to a post-employment medical aid subsidy. The Projected Unit Credit funding method has been used to determine the post-service liabilities at the valuation date and the projected annual expense in the year following the valuation date

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4.66 17. Provisions (continued) Rehabilitation of landfill

The obligation for the environmental rehabilitation results from the onus imposed by the Environmental Conservation Act No.73 of 1989 to rehabilitate landfill sites after use. The sites are expected to be closed in 2018, after which rehabilitation will take place over the course of the next 9 to 10 years after which the site is expected to be fully rehabilitated. The following assumptions were used when calculating the provisions for Landfill Site rehabilitation:

- The CPIX was used to adjust the cost as it is the only determining factor year on year.

The landfill sites are nearing the end of their useful lives and the ground and ground water on the entire site are thus considered to be contaminated and not just the portions in use, i.e. the provision provides for the cost of rehabilitating the entire site and not just the portions used up to financial year end. The entire site would need to be rehabilitated due to waste distributed across the entire site over the years since opening thereof. Thus, as provided in GRAP 19 where it states that the provision should only be raised to the extent that the costs would need to be incurred, it is considered that the full cost of rehabilitation would need to be incurred to rehabilitate the sites.

The municipality does not have licences for the landfills therefore the sites will need to be rehabilitated in their entirety.

18. Property rates

Rates received

Property rates	4 782 832	4 372 948
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Valuations

Residential	245 442 300	245 442 300
Commercial	67 403 500	67 403 500
State	71 797 700	71 797 700
Agricultural	1 893 946 000	1 893 946 000
Vacant	17 112 000	17 112 000
Indigent	72 766 000	72 766 000

4.67 2 368 467 500 2 368 467 500

The following general rates were applied during the 2015/2016 and 2014/2015 years respectively to property valuations to determine the assessment rates:

Residential properties valued below R50 000 in Willowmore and Steytleville	R589.30/year	R535.73/year
Residential properties valued from R50 001 to R100 000 in Willowmore and Steytleville	R642.87/year	R584.43/year
Residential properties valued above R100 000 in Willowmore and Steytleville	0.00650 c/R	0.00590 c/R

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Residential properties in Rietbron	0.00495 c/R	0.00450 c/R
Businesses in Steytlerville and Willowmore	0.00835 c/R	0.00759 c/R
Agricultural properties	0.00046 c/R	0.00042 c/R
State properties	0.01057 c/R	0.00961 c/R
Businesses in rural areas	0.00841 c/R	0.00765 c/R
Vacant land	0.01776 c/R	0.01614 c/R

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19. Service charges

Sanitation charges	384 478	418 322
Sale of electricity	11 042 389	10 824 069
Sale of water	4 513 088	3 796 207
Sewerage charges	2 175 390	1 915 640
Refuse removal	3 128 508	2 723 259
	21 243 853	19 677 497

20. Revenue

Property rates	4 782 832	4 372 948
Service charges	21 243 853	19 677 497
Fines, Penalties and Forfeits	500	800
Government grants & subsidies	68 668 900	69 672 627
Interest received	406 096	708 961
Agency services	550 651	535 392
Licenses and permits	473 358	745 656
Rental of facilities and equipment	185 794	199 248
Other income	239 822	350 571
Public contributions and donations	308 215	-
	96 860 021	96 263 700

The amount included in revenue arising from exchanges of goods or services are as follows:

Service charges	21 243 853	19 677 497
Rental of facilities and equipment	185 794	199 248
Interest received	406 096	708 961
Agency services	550 651	535 392
Licenses and permits	473 358	745 656
Other income	239 822	350 571
	23 099 574	22 217 325

The amount included in revenue arising from non-exchange transactions is as follows:

Property rates	4 782 832	4 372 948
Government grants & subsidies	68 668 900	69 672 627
Public contributions and donations	308 215	-
Fines, Penalties and Forfeits	500	800
	73 760 447	74 046 375

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21. Government grants and subsidies

Equitable share	23 452 000	20 481 000
Cacadu - LED	-	-
Library subsidies	300 000	300 000
Municipal Infrastructure Grant	8 621 946	9 898 000
Municipal Systems Improvement Grant	926 989	934 000
Sarah Baartman - LED Grant	162 245	306 749
Integrated National Electrification Grant	3 000 000	900 000
Down Housing	1 815 998	-
Subsidy on audit fees	1 426 713	3 254 891
Department of Trade and Industry Grant (Amounts paid by Department)	-	2 326 790
Public Works - EPWP	1 018 000	1 390 000
Cacadu - Fires Services Grant	439 000	250 000
Finance Management Grant	1 600 000	1 600 000
Regional Bulk Infrastructure Grant	25 868 051	27 944 977
SETA Grant	37 958	36 303
	68 668 900	69 622 710

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

Sarah Baartman - LED Grant

Balance unspent at beginning of year	63 251	370 000
Current-year receipts	202 000	-
Conditions met - transferred to revenue	(162 244)	(306 749)
	103 007	63 251

Conditions still to be met - remain liabilities (see note 16).

The funds were utilised for the branding of a tourism information sign, internet marketing, Sewefontein Information Office reception equipment and support for the Steytlerville and Rietbron Crafters.

Municipal Infrastructure Grant

Current-year receipts	8 870 000	9 898 000
Conditions met - transferred to revenue	(8 621 945)	(9 898 000)
	248 055	-

The municipality upgraded streets, storm water, bulk water, high mast lighting and wastewater treatment works during the current financial year.

Municipal Systems Improvement Grant

Current-year receipts	930 000	934 000
Conditions met - transferred to revenue	(926 989)	(934 000)
	3 011	-

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The grant was utilised for remuneration of audit committee members, public participation and communication and IT hardware and software.

4.68 ACIP - Rietbron Water Grant

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21. Government grants and subsidies (continued)

Current-year receipts	1 815 998	-
Conditions met - transferred to revenue	(1 815 998)	-
	-	-

Conditions still to be met - remain liabilities (see note 16).

The grant was utilized for the installation of water meters in Rietbron.

Waste Water Treatment Grant

No spend in the current financial year.

Rapid Response Grant - DWA

Balance unspent at beginning of year	498 615	498 615
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Conditions still to be met - remain liabilities (see note 16).

No spend in the current financial year.

Water Service Assets Grant

Balance unspent at beginning of year	-	(1)
Other	-	1
	-	-

No spend in the current financial year.

Down Housing

Current-year receipts	-	49 917
Conditions met - transferred to revenue	-	(49 917)
	-	-

The grant was utilized for the internal electrification of sub-economic houses.

Regional Bulk Infrastructure Grant

Balance unspent at beginning of year	(2 687 598)	(468 243)
Current-year receipts	28 555 649	25 725 622
Conditions met - transferred to revenue	(25 868 051)	(27 944 977)
	-	(2 687 598)

The municipality built new bulk water infrastructure for Steytlerville.

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21. Government grants and subsidies (continued)

Public works - EPWP

Current-year receipts	1 018 000	1 390 000
Conditions met - transferred to revenue	(1 018 000)	(1 390 000)
	-	-

Various social upliftment projects were undertaken. This included a clean up campaign using local unemployed residents.

Finance Management Grant

Current-year receipts	1 600 000	1 600 000
Conditions met - transferred to revenue	(1 600 000)	(1 600 000)
	-	-

The municipality utilised the grant for the employment of Financial Interns, training in line with competencies and the compilation of annual financial statements, audit improvement and mSCOA implementation.

Integrated National Electrification Grant

Current-year receipts	3 000 000	900 000
Conditions met - transferred to revenue	(3 000 000)	(900 000)
	-	-

The grant was utilized for the deposit relating to the upgrade of bulk electricity capacity of the supply Willowmore.

Sarah Baartman - Tourism Grant

Balance unspent at beginning of year	60 000	-
Current-year receipts	-	60 000
	60 000	60 000

Conditions still to be met - remain liabilities (see note 16).

No spend in the current financial year

Water and Sanitation Grant

Balance unspent at beginning of year	200 000	200 000
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Conditions still to be met - remain liabilities (see note 16).

No spend during the current financial year.

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22. Personnel

Basic	16 044 935	15 697 653
Bonus	1 223 202	1 115 085
Medical aid - company contributions	1 086 619	985 387
UIF	142 187	136 020
WCA	140 312	146 375
SDL	198 970	206 853
Leave pay provision charge	226 343	151 724
Pension fund contributions	1 679 048	1 553 332
Travel, motor car, accommodation, subsistence and other allowances	1 017 646	694 438
Overtime payments	655 197	483 305
Long-service awards	51 033	149 921
Housing benefits and allowances	87 932	34 931
Provident fund contributions	436 182	425 380
Post-employment medical aid	-	(130 860)
Other	2 855	4 776
	22 992 461	21 654 320

Remuneration of municipal manager

Annual Remuneration	637 714	600 903
Performance Bonuses	165 762	158 400
Contributions to UIF, Medical and Pension Funds	9 618	8 907
	813 094	768 210

Remuneration of chief finance officer

Annual Remuneration	144 802	698 148
Performance Bonuses	40 889	10 800
Contributions to UIF, Medical and Pension Funds	1 628	9 433
	187 319	718 381

The Chief Financial Officer resigned in September 2015.

Remuneration of Manager - Community Services

Annual Remuneration	427 989	401 619
Performance Bonuses	167 166	142 800
Contributions to UIF, Medical and Pension Funds	7 559	8 434
	602 714	552 853

Remuneration of the Manager - Corporate Services

Annual Remuneration	484 979	479 964
Performance Bonuses	91 074	85 800
Contributions to UIF, Medical and Pension Funds	7 482	7 023
	583 535	572 787

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22. Personnel (continued)

Remuneration of Manager - Technical Services

Annual Remuneration	-	389 019
Performance Bonuses	-	30 533
Contributions to UIF, Medical and Pension Funds	-	5 165
	-	424 717

The technical services manager resigned in February 2015

Remuneration of Manager - Technical Services (2015 Appointment)

Annual Remuneration	628 121	99 333
Performance Bonuses	71 224	10 800
Contributions to UIF, Medical and Pension Funds	8 757	1 394
	708 102	111 527

The new technical service manager commenced in May 2015

23. Remuneration of councilors

Executive Mayor	383 856	370 020
Councilors	1 253 359	1 210 974
Councilors allowances	171 276	171 276
	1 808 491	1 752 270

In-kind benefits

The municipality received assistance from the Sarah Baartman District Municipality. The assistance provided by Sarah Baartman District Municipality was to provide accounting support services.

Councilors' Remuneration

2016

Councilor	Remuneration	Allowances	Total
EL Looek (Mayor)	383 857	24 468	408 325
D J Bezuidenhout	208 893	24 468	233 361
H Booysen	208 893	24 468	233 361
M E Fivaz	208 893	24 468	233 361
G A Hobson	208 893	24 468	233 361
V B Lapperts	208 893	24 468	233 361
T R Spogter	208 893	24 468	233 361
	1 637 215	171 276	1 808 491

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4.69 23. Remuneration of councillors (continued)

2015

Councillor	Remuneration	Allowances	Pension and medical aid	Total
EL Looek (Mayor)	370 020	24 468	-	394 488
D J Bezuidenhout	201 829	24 468	-	226 297
H Booysen	201 829	24 468	-	226 297
M E Fivaz	201 829	24 468	-	226 297
G A Hobson	201 829	24 468	-	226 297
V B Lapperts	201 829	24 468	-	226 297
T R Spogter	201 829	24 468	-	226 297
	1 580 994	171 276	-	1 752 270

24. Debt impairment

Contributions to debt impairment provision	1 552 270	1 390 889
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25. Depreciation and amortisation

Property, plant and equipment	14 270 394	15 860 093
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26. Finance costs

Post employment medical aid	-	335 765
Provision for rehabilitation of landfill	366 191	335 094
Finance leases	93 553	126 720
Trade and other payables	1 057 254	799 408
	1 516 998	1 596 987

27. Repairs and maintenance

Heading		
Buildings	76 476	39 383
EPWP	1 134 994	1 395 478
Electricity	36 635	124 583
Equipment	125 017	66 337
Fencing	18 284	20 640
Maintenance	-	17 552
Network	36 265	25 216
Sports field	11 240	6 648
Street lights	45 282	58 860
Streets	99 667	51 349
Tools	29 861	22 663
Traffic signs	13 911	17 197
Vehicles	393 898	348 872
Water	147 475	130 087
	2 169 005	2 324 865

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28. Bulk purchases

Electricity	11 060 580	9 152 754
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29. Grants and subsidies paid

Free Basic Services	6 289 982	6 710 446
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30. General expenses

Actuarial cost	-	(319 059)
Advertising	45 957	47 924
Assessment rates & municipal charges	830 794	714 110
Auditors remuneration	2 376 693	2 167 983
Bank charges	332 244	259 526
Chemicals	84 019	211 631
Communication	7 904	139 212
Community assistance	11 381	7 854
Community development and training	9 738	122 742
Commission paid	224 479	279 688
Computer expenses	-	1 243 927
Consumables	27 016	22 842
Electricity - municipal usage	1 764 330	1 217 327
Finance Management Grant	1 435 475	1 406 750
Fire fighting	40 400	17 400
Fuel and oil	1 105 901	1 129 366
Incorporation costs	308 772	-
Insurance	369 210	326 778
Internal audit	-	152 904
Lease rentals	864 232	692 863
Legal fees	1 098 133	263 664
Membership fees	500 000	500 000
Motor vehicle expenses	120 120	136 050
Movement in water inventory	(37)	(9 125)
MSIG	629 202	823 399
Other projects	2 568	-
Postage and courier	123 763	153 460
Printing and stationery	347 365	424 314
Project management costs	438 061	458 093
Refuse	58 500	95 217
Research and development costs	97 287	42 215
Royalties and license fees	58 852	30 576
Professional fees	69 639	87 104
Special projects	21 826	10 000
Sundry expenses	22 903	486
Telephone and fax	558 863	556 259
Tourism development	256 388	408 754
Training	27 362	10 496
Sanitation services	270 973	-
Travel - local	128 291	96 317
Transfer fees	12 006	25 664
Ward committees	17 800	26 447
Uniforms	57 068	82 297
Valuation of properties	156 077	154 666
	14 911 555	14 218 121

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31. Impairment of assets

Impairments

Investment property	26 311	1 229
500		

32. Prior period errors

The correction of error relating to the opening retained income balance at 01 July 2014 is due to the following adjustment:

Investment Property	(6 946 500)
Property, Plant and Equipment	(3 742 979)
Non-current assets held for sale	(7 500)
Provisions	3 585 812
	(7 111 167)

The adjustment to Investment property relates to properties reclassified from Investment Property to Property, Plant and Equipment Land and Buildings. It also includes an adjustment relating to RDP/HOD houses that were included in Investment Property but now removed.

The adjustments to Property, Plant and Equipment relates to assets identified previously not included in the asset register and adjustment for assets duplicated in the register. It also includes and adjustment for the change in the cost of the provision relating to landfill site rehabilitation Non-current assets held for sale has been restated due to the GRAP standard requirement changing during the 2014/15 financial year.

Further to the above, the following balances were adjusted at the 2014 reporting date:

Statement of financial position Heading

Non current assets

Property, plant and equipment	228 308 009	231 766 680
Non current assets held for sale	-	9 000
Investment property	31 392 859	38 259 859

Current assets

Other receivables	401 253	411 253
	260 102 121	270 446 792

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32. Prior period errors (continued)

Statement of Financial Performance

Expenditure

Depreciation expense	(15 860 093)	(16 145 593)
Finance costs	(1 596 987)	(1 635 790)
General expenditure	(14 218 121)	(14 206 929)
Impairment losses	-	(78 000)

(31 675 201)	(32 066 312)
--------------	--------------

Comments on restatements and reclassifications

4.70 Statement of financial

position Investment

property

In the prior year an investment property was sold but never recorded. This adjustment has been made to correct the records for the effect of this disposal.

4.71 Property, plant and equipment

The adjustment to property, plant and equipment relates to more than one type of adjustment. In the previous year's certain assets had been depreciated to a carrying amount of R1. An exercise was performed to restate the carrying amount of these assets in the fixed asset register. In addition, a restatement was performed on the provision for landfill sites rehabilitation. The effect of the cost and accumulated depreciation is taken into account in the property, plant and equipment balance.

4.72 Heritage assets

As above, heritage assets have now been measured and recognised in the statement of financial position retrospectively.

4.73 Provisions

The provision for landfill sites rehabilitation was restated retrospectively in the current year.

4.74 Trade and other payables

In the current year, provisions for bonuses was reclassified from current provisions to payables due to the fact that employees are entitled to receive payouts even if they resign prior to the payout month of November. There is therefore certainty to recognise this a payable instead of a provision as previously treated.

4.75 Statement of financial performance

Government grants and subsidies

SETA grants were reclassified from other income to government grants and subsidies in the current year.

4.76 Other income

SETA grants were reclassified from other income to government grants and subsidies in the current year.

4.77 Personnel

Expenditure relating to uniforms has been reclassified from personnel costs to general expenditure in the current year.

4.78 Depreciation and amortisation

The restatement in depreciation relates to the correction of depreciation of previously fully depreciated assets as well as the effect of restatement of depreciation relating to the cost of landfill sites.

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4.79 Finance costs

The adjustment to finance costs relates to the retrospective restatement of the provision for landfill site rehabilitation.

4.80 Loss on disposal of assets

This is the effect of the disposal of the investment property previously not recorded as disposed.

4.81 General expenses

Expenditure relating to uniforms has been reclassified from personnel costs to general expenditure in the current year.

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33. Cash generated from operations

Surplus	20 236 379	21 283 413
Adjustments for:		
Depreciation and amortisation	14 270 394	15 860 093
Gain (loss) on sale of assets and liabilities	25 595	(71 569)
Finance costs - Finance leases	93 553	126 720
Impairment deficit	26 311	-
Debt impairment	1 552 270	1 390 889
Movements in provisions	366 191	293 466
Changes in working capital:		
Inventories	(36)	(9 125)
Other receivables	(5 754)	(5 754)
Consumer debtors	(2 587 653)	(2 237 178)
Trade and other payables	5 584 836	5 584 836
VAT	660 006	(516 953)
Unspent conditional grants and receipts	2 978 420	(2 466 103)
Consumer deposits	133 957	276 629
	43 334 469	39 509 364

34. Auditors' remuneration

Fees	2 376 693	2 167 983
Movement reconciliation	Current Year	Prior Year
Opening Balance	7 744 197	7 896 754
Fees for the year	2 709 429	2 471 501
Interest charged	778 718	630 834
Less: Payments made	(2 006 271)	(3 254 892)
	9 226 073	7 744 197

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35. Related parties

Relationships

Mayor	EL Loock
Councillor	CIlr D Bezuidenhout
Councillor	CIlr H Booysen
Councillor	CIlr M Fivaz
Councillor	CIlr GA Hobson
Councillor	CIlr V Lapperts
Councillor	CIlr T Spogter
Municipal Manager	JM Vumazonke
Chief Financial Officer (Resigned September 2015)	H Nagel
Technical Services Manager	RJ Botha
Community Services Manager	L de Beer
Corporate Services Manager	MA Lotter
District Municipality which Baviaans Municipality forms part of	Sarah Baartman District
Municipality Close family member of key management	None
Joint venture of key management	None
Associate of close family member of key management	None
Members of key management	None

The mayor and councillors only received remuneration as set out in Note 23. Rates and municipal services were in line with other customers, see note 46.

The senior management only received remuneration as set out in Note 22. Rates and municipal services were in line with other customers.

All related government entities transactions, including the district municipality, such as rates and municipal services were in line with government legislation.

Payments made by Sarah Baartman District Municipality to A2A Kopano Incorporated in terms of the district intervention and support during the financial year amounted to R287 028.

36. Risk management

Financial risk management

Liquidity risk

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The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

4.82 Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Financial assets exposed to credit risk at year-end were as follows:

Financial instrument	2016	2015
- Call deposits	-	333 872
- Trade and other receivables	3 286 885	2 251 502

Interest rate risk

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk. Interest rate risk is managed by investing any surplus funds into high yield investments. The resultant interest earned is likely to offset interest paid, as both are linked to prime rates.

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37. Events after the reporting date

Proposed Merger of Local Municipalities

After year-end, the Demarcation Board re-instated and commenced a process relating to the proposed merger of the Baviaans, Camdeboo and Ikwezi Local Municipalities. This proposal had initially been referred to the court by Baviaans for a decision and the court had decided in favour of Baviaans that the process followed for the proposed merger was inadequate. The process for a merger of the above mentioned municipalities has now been re-instated by the Demarcation Board and the final outcome is pending. Refer to note 52 for details relating to going concern considerations of Baviaans Municipality.

38. Unauthorised expenditure

Opening balance	816 529	3 556 442
Add: Unauthorised expenditure - current year	-	816 529
Less: Certified by Council as irrecoverable and written off	-	(3 556 442)
	816 529	816 529

39. Fruitless and wasteful expenditure

Add: Fruitless and wasteful expenditure - current year	-	744 265
Less: Certified by Council as irrecoverable and written off	-	(744 265)
	-	-

40. Irregular expenditure

Opening balance	247 618	2 277 377
Add: Irregular Expenditure - current year	-	247 618
Less: Amounts condoned	-	(2 277 377)
	247 618	247 618

41. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the accounting officers and includes a note to the annual financial statements.

Goods and services to the value of R40 371 999 (2013/2014: R6,990,578) were procured during the financial year under review and the process followed in procuring those goods deviated from the provisions of paragraph 12(1)(d)(i) as stated above. The reasons for these deviations were documented and reported to the accounting officers who considered them and subsequently approved the deviation from the normal supply chain management regulations.

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42. Compliance

The municipality was unable to pay creditors within the required 30 days due to cash constraints. This is in contravention of paragraph 65(2)(e) of the Municipal Finance Management Act.

During the audit of the 2013/14 annual financial statements it was found that contract BLM 2012/13/017 - Steytlerville Bulk Water Supply from Erasmuskloof: Phase 3, Water Mains, Pumping Stations and Telemetry was advertised in newspapers commonly circulating locally for less than 30 days in the case of transactions over R10 million (VAT included). The advertisement was running for 29 days instead of 30 days. This was done due to the fact that the 30th days would have been on a Saturday. This was recorded as non-compliant by the Auditor-General. Expenditure on this tender continued during the 2014/15 financial year.

Tender BLM 2014/15/010 was advertised in newspapers commonly circulating locally for less than 30 days in the case of transactions over R10 million (VAT included). The advertisement was running for 21 days instead of 30 days. This was due to the urgency of the matter. Due to the fact that the Auditor-General identified a previous tender as non-compliant an amendment notice was issued to the prospective tenders to extend the deadline for submission. This was also discussed in the compulsory site clarification meeting with the prospective tenderers before the tenders was submitted as well as advertised on website and on CIBD website.

43. Contingencies Wanhoop

The municipality is involved in a dispute with the owner of a farm in respect of the municipality's rights to water that is sourced from the farm. The municipality's lawyers are of the opinion that the matter will only be resolved in court. If it goes to court, further costs could reach somewhere between R400,000 and R500,000. Should the municipality be successful, a reasonable portion of the costs will be payable by the owner of the farm.

The matter is still pending. The Department of Water Affairs are actively involved in trying to assist the municipality in finalising the matter to ensure that the municipality can register servitudes. On the matter of litigation it seems to be quiet for the moment and the lawyers foresee that it will remain like this for the immediate future.

4.83 Landfill sites

The municipality has not obtained a permit for the landfill sites in terms of Section 24G of the National Environmental Management Act. This could lead to possible penalties and fines being imposed.

4.84 Demarcation Board

The municipality is disputing the proposed merger of various municipalities, including Baviaans, with the Demarcation Board. After unsuccessful correspondence between the municipalities lawyers and the Demarcation Board, Baviaans Municipality brought an application against the Demarcation Board. The

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application was successful but the court ordered the Baviaans to pay the Camdeboo Municipality cost. Baviaans lawyers estimate the total costs to be valued at approximately R600,000.

44. Material losses

During the 2015/2016 financial year the municipality incurred distribution losses relating to water of 24.63% (2014/2015: 24%) and relating to electricity of 11.98% (2014/2015: 9.49%)

45. Pension and medical aid deductions

Pension

Current year payroll deductions and Council Contributions
Amount paid - Current year

2 355 358	2 181 411
(2 160 029)	(2 004 491)
195 329	176 920

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45. Pension and medical aid deductions (continued)

Medical Aid

Current year payroll deductions and Council Contributions
Amount paid - Current year

1 867 946	1 659 186
(1 697 303)	(1 520 155)
170 643	139 031

46. Councilors' arrear consumer accounts

No councillors' consumer accounts are in arrears at 30 June 2016 and 30 June 2015.

47. PAYE and UIF

Current year payroll deductions
Amount paid - Current year

3 390 784	3 148 720
(3 109 639)	(2 884 297)
281 145	264 423

48. Operating lease receivables

Present value of minimum lease payments due

- within one year
- in second to fifth year inclusive

5 200	6 600
4 650	9 850
9 850	16 450

The average lease terms is 10 years and the average effective lending rate is undetermined.

Obligations under operating leases are secured by the lessor's title to the leased property.

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49. Employee benefits

Defined benefit plan

The plan is a post-employment medical benefit plan.

49.1 Post employment medical benefit

The amounts recognised in the statement of financial position are as follows:

Carrying value

Present value of the defined benefit obligation-wholly unfunded

Undefined Difference

-	2 297 426
2 297 426	-
2 297 426	2 297 426

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	2 130 806	2 297 426
Net expense recognised in the statement of financial performance	-	(166 620)
	2 130 806	2 130 806

Net expense recognised in the statement of financial performance

Interest cost	-	206 397
Actuarial (gains) losses	-	(242 157)
Assets not recognised	-	(130 860)
	-	(166 620)

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	- %	8.49 %
Expected rate of return on assets	- %	0.75 %
Expected rate of return on reimbursement rights	- %	6.19 %
Medical cost trend rates	- %	7.69 %
Expected increase in salaries	- %	7.19 %

The PA 90-2 post-retirement mortality table used

Number of Continuation pensioners: 4 (2013/2014: 4)

Average age of Continuation pensioners as at 30 June 2015 was 68.3 (2013/2014: 67.3), with an average employer monthly contribution of R3,130 (2013/2014: R2,726)

History of liabilities, assets and experience adjustments

Amounts for the current and previous three years are as follows:

	2016 R	2015 R	2014 R	2013 R
Defined benefit obligation	-	1 771 850	1 685 661	1 617 000
Plan assets	-	-	-	-
Surplus (deficit)	-	(1 771 850)	(1 685 661)	(1 617 000)
Liabilities	-	(63 159)	56 641	71 000
Assets	-	-	-	-

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49. Employee benefits (continued)

49.2 Long service awards

The amounts recognised in the statement of financial position are as follows:

Carrying value

Present value of the defined benefit obligation-wholly unfunded

Undefined Difference

-	1 771 850
1 771 850	-
1 771 850	1 771 850

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	1 858 039	1 771 850
Net expense recognised in the statement of financial performance	-	86 189
	1 858 039	1 858 039

Net expense recognised in the statement of financial performance

Current service cost	-	223 433
Interest cost	-	129 368
Actuarial (gains) losses	-	(76 902)
Assets not recognised	-	(189 710)
	-	86 189

Key assumptions used

Assumptions used at the reporting date:

Discount rates used	- %	8.20 %
Expected rate of return on assets	- %	0.94 %
Expected rate of return on reimbursement rights	- %	6.19 %
Expected increase in salaries	- %	7.19 %

4.85 History of liabilities, assets and experience adjustments

Amounts for the current and previous three years are as follows (R 000):

	2016 R	2015 R	2014 R	2013 R
Defined benefit obligation	-	2 297	2 464	1 406
Plan assets	-	-	-	-
Surplus (deficit)	-	(2 297)	(2 464)	(1 406)
Liabilities	-	226	1 128	66
Assets	-	-	-	-

Defined benefit obligation

The obligation in respect of the medical care contributions for retirement benefits is valued every year by independent qualified actuaries. The last actuarial valuation was performed on 30 June 2015 by Arch Actuarial Consulting using the Projected Unit Credit Method.

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4.86 50. Other receivables

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Eskom - Bulk electricity upgrade deposit	2 648 000	-
The deposit is required in terms of the agreement with Eskom as security for the upgrade of the Willowmore bulk electricity supply capacity		

Non-current assets

Eskom - Bulk electricity upgrade deposit	2 648 000	-
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51. Operating lease payable

Gross investment in the lease due

- within one year	514 954	544 517
- in second to fifth year inclusive	-	514 954
	514 954	1 059 471

Present value of minimum lease payments due

- within one year	514 954	544 517
- in second to fifth year inclusive	-	514 954
	514 954	1 059 471

Terms are 3 years at prime less 1.5%

52. Public contributions and donations

Public contributions and donations	308 215	-
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53. Going concern

The executives of the municipality together with council have pursued various avenues, including the Sarah Baartman District Municipality, Department of Provincial and Local Government as well as Provincial and National Treasury in seeking a financial solution to the challenges faced by the municipality.

A detailed financial recovery plan has been drafted which is actively being implemented and progress monitored by Council and Management. A realistic three-year budget has been adopted for the purposes of achieving financial recovery, while efforts are under way to upgrade the standard of financial administration and systems at the municipality.

Management and council have again committed themselves to achieving a clean audit and compliance with Provincial and National Treasury requirements.

end

4.2 AUDIT COMMITTEE FUNCTIONALITY

Baviaans Municipality has an audit committee with the following functions:

- Internal Financial controls and internal audits
- Risk management
- Accounting policies
- The adequacy, reliability, and accuracy of internal reporting and information
- Performance management
- Effective governance
- Compliance with the MFMA and DORA and any other applicable legislation
- Performance evaluation
- Review of the Annual Financial Statements
- Respond to Council on any issues raised by the Auditor-General
- Carry out investigation as the council requests

4.3 BUDGET TO ACTUAL COMPARISON

Included in AFS

4.4 GRANTS AND TRANSFER SPENDING

Included in AFS

4.5 MEETING OF DONOR'S REQUIREMENTS IN RESPECT OF CONDITIONAL GRANTS

All conditions were met

4.6 LONG-TERM CONTRACTS ENTERED INTO BY THE MUNICIPALITY

Long-term contracts are those contracts that extend over a period of more than 12 months. Baviaans Municipality entered into the following long-term contracts during the year under review:

LEASE REGISTER								
Lessor	Account Name	Contract Number	Commencement date	Escalation date	Period of lease	Escalation	Amount per month incl VAT	Balance 30 June 2015
ABSA	Opel Corsa Utility 1.4 (FHP080EC)	432654	2009/11/10	2009/11/10	60	0%	R 2 837.51	R 8 512.53
ABSA	Ford Bantam 1.6i (FKV266EC)	443051	2010/06/11	2010/06/11	60	0%	R 3 397.34	R33 973. 40
ABSA	Hino 300 814 LWB 4x2 F/C (FLZ565EC)	444840	2010/07/02	2010/07/02	60	0%	R 7 403.59	R 7403.59
ABSA	Ford Bantam 1.3i (FNR962EC)	455287	2011/02/10	2011/02/10	60	0%	R 2 850.66	R 19954.62
ABSA	Ford Bantam 1.3i (FNR950EC)	455288	2011/02/10	2011/02/10	60	0%	R 2 850.66	R 19954.62
ABSA	Toyota Hi Lux 2.0 - (FXR938EC)	489993	2012/10/23	2012/10/23	60	0%	R 3 927.80	R106050.60
ABSA	Toyota Hi Lux 2.0 - (FXR932EC)	489997	2012/10/23	2012/10/23	60	0%	R 3 677.31	R99287.37
ABSA	Toyota Hi Lux 2.0 - (FXR943EC)	490004	2012/10/23	2012/10/23	60	0%	R 3 618.51	R97699.77
ABSA	Toyota Yaris Sedan - (FXR929EC)	490005	2012/10/23	2012/10/23	60	0%	R 3 946.17	R106546.51
ABSA	Toyota Hi Lux 2.0 - (FXR934EC)	490002	2012/10/23	2012/10/22	60	0%	R 3 677.31	R99287.37
ABSA	Hino 300 814 LWB 4x2 F/C (HHD168EC)	522446	2014/07/02	2014/07/02	36	0%	R 7954.62	R190910.88
ABSA	Hino 300 814 LWB 4x2 F/C (HGZ813EC)	522447	2014/07/02	2014/07/02	36	0%	R 7954.62	R190910.88
ABSA	Hino 300 814 LWB 4x2 F/C (HHC596EC)	522448	2014/07/02	2014/07/02	36	0%	R 7954.62	R190910.88
ABSA	Hino 300 814 LWB 4x2 F/C (HGZ812EC)	522449	2014/07/02	2014/07/02	36	0%	R 16324.26	R391782.24
ABSA	Etios Sedan 1.5xs814 LWB 4X2 F/C (HGX275EC)	522450	2014/07/02	2014/07/02	36	0%	R 2724.74	R 65393.76
ABSA	Toyota Hilux SC 2.0i VVTi (HMN233EC)	543603	2015/06/29	2015/06/29	36	0%	R5837.26	R220 355.52
ABSA	Nissan NP200 1.6 (HMN 986 EC)	543604	2015/07/01	2015/07/01	36	0%	R 4356.74	R 137 999.82

LEASE REGISTER								
Technologies Acceptances	XEROX 128 WORKCENTRE	3313790311	2013/09/01	01/09/2013	30	0%	R 923.68	R21 060.00
Technologies Acceptances	XEROX WC3550 WORKCENTRE	3248035527	2013/09/01	2017/02/01	30	0%	R 593.33	R13 591.99
Technologies Acceptances	XEROX WC3550 WORKCENTRE	3220735540	2013/09/01	2017/02/01	30	0%	R 593.33	R14 710.26
Technologies Acceptances	XEROX WC7328 WORKCENTRE	3526705741	2013/09/01	2017/02/01	30	0%	R 1804.10	R41 133.48
Technologies Acceptances	XEROX WC5525 WORKCENTRE	3315895684	2013/09/01	2017/02/01	30	0%	R 1 769.37	R46 217.40
Technologies Acceptances	XEROX WC 7428 WORKCENTRE	3900433505	2013/09/01	2017/02/01	30	0%	R 2 081.59	R47 460.25
Technologies Acceptances	XEROX DC252 WORKCENTRE	3512804747	2013/09/01	2017/02/01	30	0%	R 6 559.16	R149 548.80
Technologies Acceptances	XEROX WC7835 WORKCENTRE	3912305740	2013/09/01	2017/02/01	30	0%	R 1 606.40	R36 626.00
Technologies Acceptances	XEROX WC4118 WORKCENTRE	3841692186	2013/09/01	2017/02/01	30	0%	R 301.20	R6 867.40
Technologies Acceptances	XEROX WC4118 WORKCENTRE	3830086829	2013/09/01	2017/02/01	30	0%	R 301.20	R6 867.40
Technologies Acceptances	XEROX 7WC232 WORKCENTRE	3312633018	2013/09/01	2017/02/01	30	0%	R 1 204.80	R27 469.40
Technologies Acceptances	XEROX WC7220 WORKCENTRE	3327018590	2013/09/01	2017/02/01	30	0%	R 1 405.60	R32 047.60
Technologies Acceptances	XEROX WC7120 WORKCENTRE	3320101467	2013/09/01	2017/02/01	30	0%	R 1 361.88	R31 045.80
Technologies Acceptances	XEROX WC3550 WORKCENTRE	3224023447	2014/10/01	2016/03/01	17	0%	R889.00	R8890.00
Technologies Acceptances	XEROX WC3550 WORKCENTRE	3224023455	2014/10/01	216/03/01	17	0%	R889.00	R8890.00
Nashua Finance	Xerox Workcentre 7328	V2193700979	2009/09/01	2014/08/31	60	15%	R2 990.80	R6 371.85
	TOTAL CAPITAL OUTSTANDING AS AT 30 JUNE 2015							R1 455 708.51

4.7 ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN FINANCIAL VIABILITY

	Indicator name	Target set for the year	Achievement level during the year	Achievement percentage during the year
1	Percentage of expenditure on capital budget	41 849 526	36 015 374	86.06%
2	Salary budget as a percentage of the total operational budget	24 115 922	23 406 590	31.12%
3	Total actual trade creditors as percentage of total actual revenue	7 000 000	26 418 900	47.85%
4	Total municipal own revenue as a percentage of the total actual budget	26 912 855	26 662 642	35.44%
5	Rate of municipal consumer debt reduction	4 690 928	5 427 077	15.69%
6	Percentage of MIG budget appropriately spent	9 898 000	9 898 000	100%
7	Percentage of MSIG budget appropriately spent	934 000	934 000	100%
8	AG Audit opinion	2014/2015 – Unqualified with findings		
9	Functionality of Audit Committee	4 ordinary meetings per annum		
10	Submission of AFS after the end of financial year	31/08/2015		

4.8 ARREARS IN PROPERTY RATES AND SERVICES

SERVICE	CURRENT	31-60 DAYS	61-90 DAYS	91-120 DAYS	121-365 DAYS	TOTAL
Rates	60 054	36 540	19 594	17 415	1 709 891	1 843 494
Electricity	158 727	16 752	4 697	4 444	1 322	185 942
Water	110 204	236 009	52 252	20 749	19 967	439 181
Waste water	22 644	1 258	132	203	487	24 724
Sewerage	41 402	29 438	20 243	7 624	4 509	103 216
Refuse	82 461	40 520	25 260	7 615	5 676	161 532
Other	(91 739)	1 976	2 262	2 282	16 514	(68 705)
TOTAL	383 753	362 493	124 440	60 332	1 758 366	2 689 384

4.9 ASSESSMENT OF MUNICIPAL PERFORMANCE AGAINST MEASURABLE PERFORMANCE OBJECTIVES FOR REVENUE COLLECTION FROM EACH VOTE

Revenue collection performance by vote

Vote Description	Current year 2014/15			
R thousand	Original Budget	Final adjustments budget	Actual Outcome	Actual Outcome as % of Final Budget
Revenue by Vote				
Vote 1 - Council	1,403	1,403	1,403	100.0%
Vote 2 - Accounting Officer	-	-	-	-
Vote 3 - Budget & Treasury Office	12,907	14,843	16,138	108.70%
Vote 4 - Technical Services	72,839	74,518	31,473	42.30%
Vote 5 - Community Services	7,730	8,251	5,253	63.70%
Vote 6 - Corporate Services	105	244	230	94.30%
Total Revenue by Vote	94,984	99,259	54,497	81.8%

Revenue collection performance by source

Description	Current year 2014/15			
R thousand	Original Budget	Final adjustments budget	Actual Outcome	Actual Outcome as % of Final Budget
Revenue By Source				
Property rates	4,377	4,377	4,373	99.90%
Service charges - electricity revenue	11,091	10,989	10,824	98.50%
Service charges - water revenue	3,884	3,773	3,796	100.60%
Service charges - sanitation revenue	2,257	2,409	2,334	96.90%
Service charges - refuse revenue	2,768	2,768	2,723	98.40%
Rental of facilities and equipment	43	179	144	80.50%
Interest earned - external investments	88	110	202	183.60%
Interest earned - outstanding debtors	373	482	507	105.20%
Fines	10	2	1	50.00%
Licenses and permits	644	756	746	98.70%
Agency services	782	687	535	77.90%
Transfers recognised - operational	25,819	27,519	28,553	103.80%
Transfers recognized – capital	39,429	42,414	41,120	97.00%
Other revenue	310	311	351	112.90%
Public contributions and donations	-	-	-	-
Gains on disposal of PPE	-	100	72	72.00%
Total Revenue	91 875	96 876	96 281	99.40%

4.10 ANTI-CORRUPTION STRATEGY

Council approved the Anti-Corruption Strategy and Fraud Prevention Plan on 31 May 2007.

The members of the Anti-Fraud and Corruption Committee are:

Chairperson of the Audit Committee or any other member of the Audit Committee should the chairperson not be available; Internal Auditor; Municipal Manager and Departmental Heads.

The Council approved the Whistle Blowing Policy and guideline for Fraud and Corruption investigation.

4.11 AUDIT FINDINGS

Baviaans Local Municipality received the following audit findings:

2010/2011	Disclaimer
2011/2012	Disclaimer
2012/2013	Qualified report
2013/2014	Unqualified Report with findings
2014/2015	Unqualified Report with findings

- **In 2012/13 only one qualification was received (Investment Properties)**
- **All effective GRAP standards have been implemented**
- **No material findings on annual performance**
- **Financial sustainability is still a concern**

The main reason for the three disclaimers in the previous years was the inability of the Municipality to obtain funding for the GRAP conversion.

Plans to improve the outcome of Audit reports:

- **Audit Action plan was developed and will be monitored by management on a monthly basis and quarterly by the Audit Committee**
- **Internal auditors addressed findings raised by AG**

Improvements since 11/12 was the findings in the Supply Chain Management Department and issues related to Performance Management and the IDP, property plant equipment, revenue and debtors and creditors.

4.12 SENIOR MANAGERS' DISCLOSURE OF FINANCIAL INTERESTS

R Botha

Type of Interest	Particulars of body in or from which inters is or accrues	Value / size of interest
Shares and securities in any company	None	N/A
Membership of any close corporation	None	N/A
Interest in any trust	None	N/A
Directorships	None	N/A
Partnerships	None	N/A
Other financial interests in any business undertaking	None	N/A
Employment and remuneration	None	N/A
Interest in property	None	N/A
Pension	None	N/A
Subsidies, grants and sponsorships by any organisation	None	N/A

ME de Beer

Type of Interest	Particulars of body in or from which inters is or accrues	Value / size of interest
Shares and securities in any company	None	N/a
Membership of any close corporation	None	N/a
Interest in any trust	Family Trust	R0
Directorships	None	N/a
Partnerships	None	N/a
Other financial interests in any business undertaking	None	N/a
Employment and remuneration	Employed Bavians Municipality	Monthly salary
Interest in property	Property in Willowmore	R75 000

Type of Interest	Particulars of body in or from which inters is or accrues	Value / size of interest
Pension	None	N/a
Subsidies, grants and sponsorships by any organisation	None	N/a

JZA Vumazonke

Type of Interest	Particulars of body in or from which inters is or accrues	Value / size of interest
Shares and securities in any company	N/A	
Membership of any close corporation	N/A	
Interest in any trust	N/A	
Directorships	N/A	
Partnerships	N/A	
Other financial interests in any business undertaking	N/A	
Employment and remuneration	Employed by Bavians Municipality remunerated in terms of Council resolution	
Interest in property	N/A	
Pension	N/A	
Subsidies, grants and sponsorships by any organisation	N/A	

MA Lötter

Type of Interest	Particulars of body in or from which inters is or accrues	Value / size of interest
Shares and securities in any company	None	N/A
Membership of any close corporation	None	N/A
Interest in any trust	None	N/A
Directorships	None	N/A

Type of Interest	Particulars of body in or from which inters is or accrues	Value / size of interest
Partnerships	None	N/A
Other financial interests in any business undertaking	None	N/A
Employment and remuneration	None	N/A
Interest in property	None	N/A
Pension	None	N/A
Subsidies, grants and sponsorships by any organisation	None	N/A

U Baartman

Type of Interest	Particulars of body in or from which inters is or accrues	Value / size of interest
Shares and securities in any company	None	N/A
Membership of any close corporation	None	N/A
Interest in any trust	None	N/A
Directorships	None	N/A
Partnerships	None	N/A
Other financial interests in any business undertaking	None	N/A
Employment and remuneration	None	N/A
Interest in property	6 Gibb Str, Levyvale, Uitenhage	Primary residence, 100%
Pension	None	N/A
Subsidies, grants and sponsorships by any organisation	None	N/A

4.13 CAPITAL PROJECTS PER WARD

Ward	Project Description	Budget	Status
2	Steytlerville – Erasmuskloof Water Project	R 20 375 000	3 year project
3	Willowmore – Down Housing project	R 9 405 000	Stopped
3	Willowmore streets	R 1 768 000	Completed
2	Steytlerville streets	R 1 053 000	Completed
2	Steytlerville solid waste disposal	R 2 456 000	Still waiting for EIA
1 & 3	Baviaans sport fields	R 1 302 000	Completed
4	Rietbron high mast light	R 263 000	Completed
2	Steytlerville electricity	R 789 000	No Funding, waiting for DOE
4	Rietbron waste water treatment works	R 974 000	No Funding, waiting for DWS
All	Furniture & equipment	R 148 000	Bought
3	LED projects	R 433 000	Funding spend in 15/16
All	Vehicles	R 1 720 000	Bought

4.14 REPORTING

All MFMA Section 71 Reports were submitted on time

Chapter 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION (KPA 5)

5.1 OVERVIEW OF THE EXECUTIVE AND COUNCIL FUNCTIONS AND ACHIEVEMENTS

A. COUNCIL

Baviaans Municipality is a category 1 municipality with a plenary system combined with a ward participatory system as defined in Chapter 1 of the Local Government Municipal Structures Act No 117 OF 1998. The political and administrative seat is in Willowmore.

The council plays an oversight role in terms of the delegations and the mayor and council provide political guidance over the financial matters of the municipality.

The council, along with the mayor/speaker as its chairperson, is the highest decision making structure consisting of seven (7) councillors.

NAME	CAPACITY	POLITICAL PARTY	GENDER
E Loock	Mayor / Speaker	DA	Male
D Bezuidenhout	PR Councillor	DA	Male
H Booysen	Ward Councillor	DA	Male
V Lapperts	Ward Councillor	DA	Male
T Spogter	Ward Councillor	ANC	Male
G Hobson	PR Councillor	ANC	Female
M Fivaz	PR Councillor	ANC	Female

The councillors received training in oversight reporting. 7 (Seven) Ordinary Council meetings and 7 (Seven) Special Council meeting were held in 2015/16. Each meeting is preceded by a public notice the community and all Council Agendas and minutes are available at the libraries in Willowmore, Steytlerville, Rietbron and Baviaanskloof thereafter.

Due to the plenary system of Baviaans Municipality, councillors are not allocated to any committees apart from MPAC. All councillors except the Mayor form part of MPAC.

B. OVERSIGHT

Oversight in the municipality is done through the following mechanisms:

1. Audit Committee: There is a functional Audit Committee attached to the municipality that provides opinions and recommendations on performance and financial processes and provide comments to the oversight committee on the Annual Report.
2. Internal Auditors: KPMG appointed
3. Oversight Committee: Oversight over Annual Report
4. MPAC: Documents referred by Council

The Council oversight committee has been established in accordance with section 129 of the MFMA. The purpose of an oversight committee is:

- a) to assess the extent to which the annual report succeeds in its purpose as primary reporting instrument in the process of local governance
- b) to facilitate a full cycle of accountability to the community and to council
- c) to accept, reject or propose refinements to the annual report and
- d) to enable the council to make determinations on issues that require improvement and to consider the views and recommendations of persons and bodies outside the administration when making such determinations.

5.2 OVERVIEW ON ADMINISTRATIVE FUNCTIONS

Mr JZA Vumazonke is the Accounting Officer of Baviaans Municipality. Four section 56 managers are appointed to assist with the management of their departments. The total staff establishment is 114 with 11 vacancies as at 30 June 2014. Management meetings are held bi-weekly and the minutes thereof are tabled in Council.

Bi-monthly Local Labour Forums were held, as well as monthly departmental meetings between HODs and personnel, both the aforementioned are strategic objectives in the Communication Action Plan.

5.3 PUBLIC PARTICIPATION AND CONSULTATION

A. SPEAKER'S OFFICE

Baviaans Municipality has a dedicated public participation unit, which deals with communication. This function is dealt with by the office of the mayor/speaker, which forms part of the Department Community Services.

B. STRATEGIC PLANNING

Council adopted a Community Participation Strategy / Action Plan on 26 January 2012. The mentioned plan is reviewed annually and tabled to Council. The Action Plan with comments on targets is tabled to Council on a quarterly basis.

The execution of the Action Plan leads to the use of the following platforms for communication:

- Workshops
- IDP Steering Committee meetings
- IDP Rep Forum meetings
- Community Based Planning meetings
- Baviaans Newsletter – distributed quarterly
- Help Desks (1 x Willowmore; 1 x Steytlerville ; 1 x Rietbron)
- Baviaans Municipal Website (according to legislation)
- Baviaans Municipal Facebook
- Availability of council agendas at libraries
- Annual Community surveys
- Public notices & notice boards
- Loud hauling

Challenges experienced to effectively implement the Action Plan are:

- vastness of the area
- lack of interest of community members to attend all CBP meetings
- lack of telecommunication facilities in rural areas

Municipal Website

The following information as per Section 21(a) of the Municipal Systems Act is available on the municipal website, www.baviaans.gov.za

- The annual and adjustments budgets and all budget-related documents;
- all budget-related policies;
- the annual report;
- all performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act;
- all service delivery agreements;
- all long-term borrowing contracts;
- all supply chain management contracts above a prescribed value;
- an information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during the previous quarter;
- all quarterly reports tabled in the council in terms of section 52(d); and
- any other documents in terms of the Municipal Systems Act and any other applicable legislation, or as prescribed.

Customer Care Survey

Due to lack of funds from DLGTA no Customer Care Satisfaction Survey was conducted in 2015/16.

Help Desks

Help Desks are established in the municipal offices of Willowmore, Steytlerville and Rietbron. Complaints in Baviaanskloof are lodged at the library. Three dedicated officials are assigned to the Help Desk to improve customer care. These Help Desks also handle complaints from the Presidential Helpline.

A job card is issued for every specific complaint and booked out to the relevant officials (finance, water, electricity, etc.) Timeframes are connected to these jobs and a report is issued to management weekly to oversee the process.

Monthly reports are tabled to council. Statistics received from the Help Desk assist management in identifying problem areas.

By-laws

Baviaans Municipality has the following by-laws in place:

- ✓ Street Trading By-Laws
- ✓ Liquor (Trading Hours) By-Law
- ✓ Commonage By-Law
- ✓ Impoundment of Animals By-Laws
- ✓ Prevention of public nuisances and keeping of animals By-Law
- ✓ Solid waste disposal By-Law

- ✓ Water supply sanitation services By-Laws
- ✓ Electricity By-Law
- ✓ Roads and Traffic By-Law
- ✓ Funeral Parlours, Cemeteries and Crematoria By-Laws
- ✓ Fences and fencing By-Law
- ✓ Outdoor advertising and signage By-Law
- ✓ Aerodrome By-Law
- ✓ Customer Care and Revenue Management By-Laws
- ✓ By-Law relating to Community Fire Safety
- ✓ Sporting Facilities By-Law
- ✓ Public Amenities By-Law
- ✓ Storm Water Management By-Law

A list of fines approved by the Magistrate in terms of Section 57 (5) (a) and 341 (5) of the Criminal Procedure Act, 51 of 1977 is available at the Municipal Manager's office.

C. IDP AND REVIEW PROCESS: 2015/16

Consultations with the public took place according to the IDP/Budget/SDF Review Process Plan that was adopted by Council on 18 August 2015.

Activity	Date	Venue
Prepare Review Process Plan	Beginning of August 2015	
Adopt Review Process Plan	27 August 2015	Council Chambers, Steytlerville
Advertise Review Process Plan	02 September 2015	Newspaper, Notice boards, Website
IDP Rep Forum, SBDM	10 September 2015	Council Chambers, SBDM
Ward Committee meetings	15 & 16 September 2015	All Wards
Community Based Planning	16 – 30 September 2016	Vuyolwethu Community Hall, Steytlerville Willowmore Business owners Vondeling Rietbron
First quarter performance evaluation	30 September 2015	
Report on budget implementation & financial state of affairs of municipality	30 September 2015	
IDP Rep Forum, Baviaans	18 November 2015	Town Hall, Willowmore
Ward Committee meetings	02 & 03 December 2015	All Wards
Second quarter performance evaluation	30 December 2015	

Activity	Date	Venue
Report on budget implementation & financial state of affairs of municipality	30 December 2015	
Adopt Annual report & Adjustment budget	28 January 2016	Council Chambers, Willowmore
Make Annual Report public	29 January 2015	Website, Municipal offices, newspaper, libraries
Ward Committee meetings	15, 16 & 17 February 2016	All wards
Community Based Planning (final consultation)	16 February – 25 March 2016	Steytlerville (2) Willowmore (3) Vondeling
IDP Steering Committee	17 March 2016	Council Chambers, Willowmore
Table Draft IDP / Budget 2014/15	17 March 2016	Council Chambers, Willowmore
Table Reviewed Draft IDP/Budget 2014/15	26 May 2016	Council Chambers, Steytlerville
Advertise in Newspapers	31 May 2016	

Below, the results of the 2014/15 IDP Assessment for Baviaans Local Municipality:

** Note: Assessment of IDP 2015/16 is scheduled for September 2016.*

KPA	RATING 2008/09	RATING 2009/10	RATING 2010/11	RATING 2011/12	RATING 2012/13	RATING 2013/14	RATING 2014/15
Spatial Development Framework	Low	High	High	High	High	High	High
Service Delivery	Low	Medium	Medium	Medium	Medium	Medium	High
Financial Viability	High	High	High	High	Medium	High	High
Local Economic Development	Low	High	High	High	High	High	High
Good Governance & Public Participation	Low	Low	High	High	High	High	High
Institutional Arrangements	Low	Low	Medium	High	High	High	High
Overall Rating	Low	Medium	High	High	High	High	High

D. WARD COMMITTEES: ESTABLISHMENT AND FUNCTIONALITY

Council adopted a policy for Ward Committees. The full process of establishment of these committees was completed on 25 March 2013. There are four ward committees, all functional.

Ward Committee members in the following portfolios (sectors) represent communities: Town & rural areas, tourism, businesses, organised agriculture, LED, health & animal protection, churches & old age homes, Student Governing Bodies, Youth, Sport, CPF and the unemployed. Twelve Ward committee meetings were held in 2015/16.

Reports of Ward Committee meetings are tabled to Council quarterly. During the 2015/16 IDP & Budget review process, contributions were received from each ward regarding the development priorities of the IDP. Ward committee concerns were considered and addressed by Council. Reports were tabled to Council on all quarterly community based planning meetings. Ward Based Plans were developed for all Wards.

Challenges

- ❖ Political agendas of members
- ❖ Feedback to community from committee members
- ❖ Perception of role and function of ward committee member

Measures taken to address challenges

- ❖ Enforce Ward Committee policy regarding roles of ward committees and ward committee members as prescribed in the Municipal Structures Act No 117 of 1998

Projects per ward – 2015/16

Ward	Project Description	Budget	Status
2	Steytlerville – Erasmuskloof Water Project	R 20 375 000	3 year project
3	Willowmore – Down Housing project	R 9 405 000	In progress
3	Willowmore streets	R 1 768 000	Completed
2	Steytlerville streets	R 1 053 000	Completed
2	Steytlerville solid waste disposal	R 2 456 000	Still waiting for EIA
1 & 3	Baviaans sport fields	R 1 302 000	Completed
4	Rietbron high mast light	R 263 000	Completed
2	Steytlerville electricity	R 789 000	No Funding, waiting for DOE
4	Rietbron waste water treatment works	R 974 000	Completed
All	Furniture & equipment	R 148 000	Bought
3	LED projects	R 433 000	Funding spent in 15/16
All	Vehicles	R 1 720 000	Bought

E COMMUNITY DEVELOPMENT WORKERS PERFORMANCE MONITORING

There is currently one CDW operating in Baviaans Municipality. There are vacancies in Willowmore, Rietbron and Steytlerville. The CDW is reporting to Provincial government and not to the municipality, thus the municipality cannot account and take responsibility for his activities. CDWs can better be utilised and be of assistance to the municipality if they were part of the structure of the municipality.

Baviaans Municipality invites the CDW to IDP Rep Forums, Community Based planning meetings and all other participatory activities.

5.4 INTERGOVERNMENTAL RELATIONS

A. RELATION WITH PROVINCIAL GOVERNMENT

Provincial government forms the second layer of government, between the national government and the municipality.

The constitution prescribes a principle of "co-operative government" whereby the various layers of government must coordinate their actions and legislation. Baviaans Municipality adheres to reporting requirements and public participation processes as prescribed in the Municipal Finance Management Act (MFMA) and Municipal Systems Act. Baviaans Municipality met regularly with officials of different spheres of Local Government and have valued relations with the Department of Local Government.

B. IGR

The IGR structure is driven by the municipal manager of the district municipality.

Very few instances of friction between the municipality and departments are evident. The most frustration emerged in the past due to delay or no response from some of the departments.

During the 2014/15 year the attendance of Sector Departments to important meetings improved a lot. Almost all the departments attended our IDP Rep Forums and participated in our processes.

Close relationship exists between the municipality, Department's of Agriculture and Social Development. These departments forms part of the Local Economic Development Forum.

Existing programmes

The Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) provides for a system to regulate the conduct of relations and the resolution of disputes between the national, provincial and local spheres of government, and provides for structures and institutions to promote and facilitate intergovernmental relations.

Existing forums:

- ❖ Premier's Intergovernmental Forum
- ❖ Sarah Baartman District Mayors Forum
- ❖ Technical Support Structures:
 - Municipal Manager's Forum
 - CFO Forum
- ❖ District-wide Intergovernmental Forums
 - IDP Forum
 - LED Forum
 - Sarah Baartman District Health Authority
 - Tourism Forum
 - District-wide Infrastructure Forum

5.5 INTER-MUNICIPAL PLANNING / PARTNERSHIPS

Programmes related to inter-municipal planning:

- (i) Baviaans Municipality and the Ikwezi Municipality had a joint programme with the development of the LED Strategy for both areas. This was sponsored by Thina Sinako and facilitated by the Sarah Baartman District Municipality.
- (ii) Anti-poverty Programme (Ikwezi & Baviaans) - Mikondzo Programme
- (iii) Municipal relationship with our banking services ABSA Bank.
- (iv) Municipal relationship with the ECPTA (Baviaans mega Reserve)
- (v) Municipal relationship with ECDC
- (vi) Municipal relationship with ACME mining company
- (vii) Municipal relationship with ECTA
- (viii) Municipal relationship with Interwaste company (recycling project)

A challenge experienced by both mentioned municipalities, is the distance between the towns and the costs involved in meeting on a regular basis.

Existing programmes

Baviaans Municipality is involved in joint programmes with the following institutions:

- (i) ECTA – investment in Sewefontein picnic spot

- (ii) Interwaste company – Partners in Willowmore recycling project
- (iii) ACME – establish an SMME / LED center in Steytlerville
- (iv) POP programme – to address poverty in Ward 4, Rietbron
- (v) ECPTA – tourism programmes in Baviaanskloof

5.6 LEGAL MATTERS

Baviaans Municipality does not have a legal unit because of its size, the municipal manager is dealing with all legal matters and making use of legal service providers where and when there is a need to do so.

Legal activity includes the following:

Drafting of contracts
Legal advice on all legislation
Drafting of by-laws
Ensuring compliance with legislation
Liaising with attorney regarding litigation

Facilitating disciplinary action against employees where it is required to do so

Verifying claims against the Municipality
Debt collection

5.7 PRIMARY HEALTH CARE

To ensure the delivery of coordinated and comprehensive primary health care service that prioritizes management for tuberculosis, HIV, and AIDS through active community partnership and to improve the quality of life of all individuals and communities.

In our area, there are three clinics and one provincially aided hospital.

5.8 FRAUD PREVENTION & ANTI-CORRUPTION

An Anti-corruption strategy and Fraud Prevention Plan was adopted by Council. Fraud represents a significant potential risk to the municipality's assets and reputation. The municipality is committed to protecting its funds and other assets.

The Plan has been discussed with personnel and made public on the municipal website.

5.9 RISK MANAGEMENT

A Risk Register is compiled annually by KPMG. The following risks were identified for Baviaans Municipality:

1. Inadequate cash flow
2. Inadequate information management

3. Poor internal communication
4. Poor safeguarding of assets
5. Political interference
6. Non-compliance with laws & regulations
7. Misstatements of AFS
8. Inconsistent training of employees
9. Financial system not used optimally
10. Shortage of skilled technical staff (numbers)
11. Water scarcity
12. Non-compliance with Supply Chain Management Requirements (Procurement & Tenders)
13. Inadequate inter-governmental relations

Management has addressed the abovementioned issues.

5.10 ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS

No	Indicator Name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	% of ward committees established	12	12	100
2	% of ward committees that are functional	4	4	100
3	Existence of an effective system to monitor CDWs	CDWs are appointed by the Provincial Office and are monitored by them		
4	Existence of IGR structural meetings	District IGR structure exist		
5	Effectiveness of IGR structural meetings	Function of SBDM		
6	Existence of an effective communication strategy	Internal & external communication strategy with Action plan reviewed annually. Action plan tabled to Council quarterly		
7	Number of mayoral Imbizos conducted	10	10	100
8	Existence of a fraud prevention mechanism	An Anti-corruption strategy and Fraud Prevention Plan was adopted by Council. Fraud represents a significant potential risk to the municipality's assets and reputation. The municipality is committed to protecting its funds and other assets.		

DRAFT

PART 3- FUNCTIONAL AREAS REPORTING AND ANNEXURES

1. FUNCTION: SERVICE DELIVERY REPORTING

SUB-FUNCTION: POPULATION STATISTICS

GENERAL INFORMATION

The Baviaans Municipality falls within the Sarah Baartman District Municipal area. The Municipality's area is bordered on the North-east by Ikwezi, North-west by Camdeboo, the East by Sundays River Valley, the South by Kou-Kamma and Kouga Municipalities and the West by the Eden District Municipality (Western Cape Province).

In 2011, the Baviaans was delimited into four wards, as depicted in Map no. 2 below and the municipal area increased from 11 590.52km² to 11 668.32km². The elections on 18 May 2011 brought about the incorporation of the previously District Management Areas of Rietbron, Miller and Vondeling. The seat of the municipality is situated in Willowmore.

Willowmore serves as the administrative hub of the area where the local offices, the District offices of National Government Departments and Provincial Government Departments are situated. The area is scarcely populated: 0 – 100 people per square kilometre. The population in 2015/16 was 17 753 with an indigent population of 2470 households. An indigent household is defined as a household with a combined income of less than R 2820 per month.

Statssa 2011 reflects that poverty levels are high with 16.6% of the potential labour force not receiving any income, and a further 7.2% earning less than R801 per month, therefore technically falling under the poverty line. This is exacerbated by the fact that 63.2% of the potentially economically active population are not working. The population lack buying power which makes it difficult to exploit local economic development opportunities and the situation implies a high dependency on social grants. Interventions must be created and expedited to support poor communities.

The potential economic active labour force accounts for 62.4% of the total population which reinforces the need to boost the economy and stimulate job growth.

2. FUNCTION: FINANCE AND ADMINISTRATION

SUB-FUNCTION: BUDGET AND TREASURY OFFICE

OVERVIEW

OVERVIEW

This includes all activities relating to the finance function of the Municipality, including revenue collection.

DESCRIPTION OF ACTIVITIES

The functions of the Budget and Treasury Office within the Municipality are administered as follows and include:

- Provision of relevant, accurate and reliable financial information to all users including Councillors, managers and stakeholders to facilitate informed decision-making.
- Provision, maintenance and implementation of sound financial policy, controls and systems.
- Ongoing introduction of budgetary and accounting reforms.
- Production of annual budgets and annual financial statements.
- Internal audit and risk management.
- The maintenance of an effective system of expenditure control, including procedures for the approval, authorization, withdrawal and payment of funds.
- The maintenance of an effective Supply Chain Management system, including procedures for the evaluation and adjudication of formal written quotations and tenders.
- All monies owed to suppliers and service providers are paid within 30 days of receiving the relevant invoice or statement unless there are special arrangements or cashflow constraints.
- Provision of financial advice to the Council and other Departments.
- Administration of the investments and insurance portfolios of the Municipality.
- Management of all conditional grants.
- Asset and liability management.
- Revenue collection and cash flow management.
- The maintenance of an effective Information and Communication Technology (ICT) system.
- Capacity building by way of training officials.

STRATEGIC OBJECTIVES

- Ensure long-term financial sustainability.
- Ensure full compliance with all accounting statutory and legal requirements including implementation of the MFMA.
- Billing of services, electricity, water, refuse, sanitation and property rates to the community in the whole of the Baviaans Municipality's area of jurisdiction.
- Recover all money billed to households, businesses, farms and government departments

KEY ISSUES FOR 2014/15

- Produce operating and capital budget in the prescribed format and within the specific guidelines.
- Produce GRAP compliant annual financial statements.
- Compliance with Supply Chain Management regulations, policy and systems.
- Improvement of the financial system with regards to:
 - Supply Chain Management.
 - Asset Management.
 - Reconciliations of all components (debtors, creditors, VAT, salaries).
 - Reporting to National Treasury and Provincial Treasury and compliance with the MFMA reporting requirements.
 - Leave/HR management.

ANALYSIS OF FUNCTIONS

An analysis of this function is contained in the Annual Financial Statements, which appears on 67 – 88

3. FUNCTION: PLANNING AND DEVELOPMENT

SUB-FUNCTION: ECONOMIC DEVELOPMENT

OVERVIEW

This includes activities related to LED, Agriculture and Tourism:

- SMMEs are provided with mandated municipal support that facilitates their growth and success
- Local Economic Development
- A pleasurable tourist experience
- Promote agriculture

DESCRIPTION OF ACTIVITY

- Empowerment of SMME's: Baviaans LED Office provides core support services to SMME development through the first few years of business through mentoring and coaching to SMME's; office support services; linkages to other business support structures; SMME database and information.
- Legalise/legitimise Spaza shops: Create a data base of all Spaza shops and assist with registration of their businesses
- Formalize local hawkers to promote organised business activities. Enforce applicable by-laws. Ensure designated hawking areas
- Promote opportunity for local job creation by assisting with registration of local contractors as accredited service providers; job creation and arts & craft development
- Promote LED: Formulation and execution of a LED plan

TOURISM

- Promote local Tourism through formulation of an integrated tourism development plan and execution of the plan in order to attract tourism to the area by continuous marketing of the area and development of new products.
- PDI involvement in product ownership of tourism products e.g. Hospitality training and developmental projects by facilitating training of tour guides and guesthouse personnel and joint ventures with PDI's in tourism opportunities
- Promote local tourist products, services available and access to website by placing photos of tourist products and or services on website and providing training on "how to access and utilise website for marketing". Create a municipal data base of tourism operators in Baviaans and investigate standards of existing tourism facilities

AGRICULTURE

- Minimize stock losses through the execution of bylaws and controlling of dogs through an Animal Protection Program
- Assist beneficiaries of agricultural projects: Ensuring small farmers have access to commonages, pay for their animals grazing on the commonage and training in agricultural related issues. Beneficiaries must sign a contract with the municipality

- Participation in yearly Agricultural show
- Organised training for farm workers

STRATEGIC OBJECTIVES

- To provide SMMEs with mandated municipal support that facilitates their growth and success.
- Ensure a pleasurable tourist experience
- Promote agriculture as an external income
- Investigate the financial viability and sustainability of all resources and facilities of already extended agricultural projects & their contribution to LED.

KEY ISSUES FOR 2015/16

Execution of LED Action Plan

4. FUNCTION: COMMUNITY AND SOCIAL SERVICES

SUB-FUNCTION: ALL INCLUSIVE

OVERVIEW

- Proud citizens that contribute to the development of their town/s.
- The youth of Baviaans are actively integrated into and contribute to community development
- Improve opportunities for development of people
- Control and improvement of animal health
- Improve community access to a comprehensive health care service
- Enhance community participation

DESCRIPTION OF ACTIVITY

GENERAL

- Promote education, through not only schools, but also libraries by upgrading of books and buildings. Established fully-fledged libraries – connect with Cacadu implemented in four libraries and library for the blind established in Willowmore.
- Instil a sense of pride and ownership / utilize skill in community to assist in projects by renovation of community halls and/ or improvement of municipal buildings. Paving of sidewalks and streets and upgrading of sport grounds.
- Promote after-school education and provide training through Baviaans Youth Advisory and libraries.

DEVELOPMENT OF YOUTH: BAVIAANS YOUTH CENTRE

- Promote after school education

- Promote self-development
- Remove sense of helplessness
- Promote education of youth
- Basics in Microsoft Word, Excel and Power Point computer training for free to Youth

DEVELOPMENT OF PEOPLE

- Skills training
- Arts & Culture Development & promotion craft groups

HEALTH

- Improve community access to a comprehensive health care service

ANIMAL HEALTH

- Control and improve animal health through structured organisations only

SAFETY & SECURITY

- Build healthy relationships with SAPS. SAPS to ensure that their staff in Baviaans LM can speak the language of the customer – monthly meetings with SAPS
- Active CP Forums in all areas

BETTER COMMUNICATION TO COMMUNITY

- Community participation structures to help identify community needs through Community Based Planning meetings lead by Ward councillors
- Public Participation Plan and Communication Action Plan
- Ward committees established
- Communication strategy to community Baviaans Municipal Newsletter
- IDP Newsletter
- IDP Feedback sessions.
- Notice board
- Loud hauling
- Help Desks
- Baviaans Municipal Website
- Baviaans Municipal Facebook
- Council agendas at libraries
- Public notices & notice boards
- Community Surveys
- Facebook & SMS

5. FUNCTION: HOUSING

SUB-FUNCTION: N/A

OVERVIEW

Supply sustainable basic infrastructure to all inhabitants in Baviaans: Housing

DESCRIPTION OF ACTIVITY

- Investigate and determine the housing need in the entire Baviaans Municipal area with special focus on “Down” and Steytlerville.
- Investigate feasibility of housing projects in Sewefontein and Baviaanskloof.
- Provision of housing for middle and high-income earners. Town Planning for housing projects for higher income earners. Survey and peg new erven for future expansion of towns especially in Steytlerville and private sector housing development for Steytlerville and Willowmore.
- Enhance quality and standards of RDP housing. Encourage local contractors to register with NHBRC. Monitor all projects for compliance with National & Provincial standards. Ensure that legal/rightful owners are allocated houses in RDP housing projects.

STRATEGIC OBJECTIVES

To supply sustainable housing to all inhabitants of Baviaans.

KEY ISSUES FOR 2015/16

- Submit applications for 85 Down, 25 Willowmore destitute, 82 Steytlerville and 72 Steytlerville houses to the Dept of Human Settlement
- Work towards registration of rightful owners that are allocated RDP houses.
- To continuously keep updating the National Housing register

Analysis of function

Number and cost of all personnel associated with the housing function:

TOWN PLANNING	TOTAL ANNUAL COST
Town Planner	443 824
Housing Administrator	202 910
TOTAL	646 734

6. FUNCTION: Waste management

SUB-FUNCTION: SOLID WASTE

OVERVIEW

Includes refuse removal, solid waste disposal and landfill and street cleaning

DESCRIPTION OF ACTIVITY

- The refuse collection functions of the municipality are administered as follows and include:
- Legalise dumping site in Steytlerville.
- Investigate dumping in Fullarton & Baviaanskloof.
- Better management of dumping sites in Willowmore & Steytlerville.
- Controls over sites
- Enforce by laws and educate community on implications of dumping randomly.
- Adopt a comprehensive plan for refuse removal through community participation.
- Fill all vacancies existing in refuse removal and explore the idea of increasing personnel.
- Submit application for the funding of legalising the solid waste disposal sites

STRATEGIC OBJECTIVES

Supply sustainable Refuse Removal & Management of Dumping Sites to all inhabitants of the Baviaans

KEY OBJECTIVES 2015/16

Legal compliance of all dumping sites and improved refuse removal plans

ANALYSIS OF FUNCTION

REFUSE	TOTAL ANNUAL COST
Supervisor Refuse SV	198 171
Foreman Refuse, Streets & Public works WM	188 984
Driver Operator SV	114 853
Driver Operator SV	114 853
Driver Operator Willomore	114 853
General Worker Refuse (Tip) SV	84 387
General Worker	90 604
General Worker	90 604
General assistant	90 604
General Worker Refuse	90 604
General Assistant	90 604
General Assistant	90 604

REFUSE	TOTAL ANNUAL COST
Supervisor Refuse	138 850
Driver Operator Willomore	114 853
TOTAL	1 613 428

7. FUNCTION: Wastewater management

SUB-FUNCTION: SEWERAGE, ETC.

OVERVIEW

Provide sanitation on an acceptable standard to all communities

DESCRIPTION OF ACTIVITY

- Investigate the demand for sanitation in the municipal area
- Plan & implement sanitation projects according to the demand analysis

STRATEGIC OBJECTIVES

To supply basic sanitation services to all inhabitants of the Baviaans.

KEY ISSUES FOR 2015/16

- Investigate VIP toilet system for Fullarton and Miller
- Investigate new drain pipe line as well as sewerage
- Develop a sample program for the quality testing of final effluent at all WWTW's
- Assess all WWTW's with regard to shortcomings and requirements for Green drop compliance

ANALYSIS OF FUNCTION

	TOTAL ANNUAL COST
Foreman Sanitation, Streets & Stormwater WM	198 171
Supervisor Public Works & sanitation SV	198 171
Driver Operator SV	114 853
Driver Operator Willowmore	114 853
General Assistant	84 387
General Worker conservancy tanks SV	90 048
General Assistant	90 048
General Assistant	95 000
General Assistant	92 782
General Assistant	92 782

	TOTAL ANNUAL COST
General Assistant	84 387
TOTAL	1 255 482

8. FUNCTION: ROAD MAINTENANCE

SUB-FUNCTION: ROADS

OVERVIEW

Construction and maintenance of roads within the municipality's jurisdiction

DESCRIPTION OF ACTIVITY

- Establish a well presented body to meet regularly with the Dept of Roads & Transport: Nominated relevant role players
- Transport Forums when Dept of Roads appoint a contractor
- Develop a road maintenance plan
- A new Roads and Streets maintenance plan were developed – Still need to be approved by the new Council

STRATEGIC OBJECTIVES

To supply sustainable basic infrastructure to all inhabitants of Baviaans: Rural Roads.

KEY ISSUES FOR 2015/16

- Quarterly Transport Forums when Dept of Roads appoint a contractor
- Investigate upgrading of Victoria Street, Steytlerville
- Develop a road maintenance plan

ANALYSIS OF FUNCTION

PUBLIC WORKS	TOTAL ANNUAL COST
Administrative Assistant	193 525
Manager TS - Ass to the HOD (S)	443 823
Manager TS - Ass to the HOD (W)	443 823

PUBLIC WORKS	TOTAL ANNUAL COST
General assistant streets SV	90 604
General assistant streets SV	84 387
General assistant streets SV	90 604
Handyman Plumbing Baviaanskloof	135 590
Foreman Rietbron	228 465
General worker	134 496
General worker	134 496
General worker	134 496
Driver Specialist	138 850
Street Sweepers SV	88 479
Street Sweepers WM	88 479
Street Sweepers WM	88 479
TOTAL	2 518 605

9. FUNCTION: WATER

SUB-FUNCTION: WATER DISTRIBUTION

OVERVIEW

Includes the bulk purchase and distribution of water

DESCRIPTION OF ACTIVITY

- Sustainable water supply
- Investigate an alternative to water carting in Fullarton and Vondeling

EFFICIENT ACCOUNTING SYSTEM FOR WATER USAGE

- Monthly statistics of consumption for monitoring
- Faulty meter replacement

BUDGET FOR OPERATION AND MAINTENANCE OF WATER RETICULATION NETWORK

- Finalise Water Services Development Plan
- Allocate funding from own revenue for operation and maintenance costs
- Conclude legal contracts with users tapping on the municipal lines

STRATEGIC OBJECTIVES

To supply sustainable basic infrastructure to all inhabitants of Baviaans: Water

KEY ISSUES FOR 2015/16

- Implement Regional Bulk Water project – supplying water from Erasmuskloof = 60 km from Steytlerville – Project still ongoing
- Drill 3 x 300m deep boreholes at Wanhoop
- Perform feasibility study including EIA for the upgrade of the pipeline from Wanhoop to Willowmore
- Register new water quality monitoring program to be more representative throughout the Baviaans area

ANALYSIS OF FUNCTION

WATER	TOTAL ANNUAL COST
Artisan Water/Electrical WM	245 305
Artisan Water/Electrical WM	245 305
General Assitant - Water WM	90 604
General Assistant - Water WM	90 604
Meter reader	95 000
Water Assistant Steytlerville	90 604
Water Assistant Steytlerville	90 604
Meter reader	95 000
Artisan Water/Electrical SV	245 305
Plant Operator (Shift Worker)	132 409
Plant Operator (Shift Worker)	132 409
TOTAL	1 553 158

10. FUNCTION: Electricity

SUB-FUNCTION: ELECTRICITY distribution

OVERVIEW

Includes the bulk purchase and distribution of electricity

DESCRIPTION OF ACTIVITY

- Avoid power failure from the municipality supply network: Upgrade old network infrastructure in Steytlerville & Willowmore; Refurbish where needed; Operation and Maintenance plan to be crafted and implemented with budgetary provisions. Upgrade old power station Willowmore.
- Eradicate or minimize electricity loss that is not accounted for. Apply the credit control and by law's provisions for people stealing electricity. Educate people around the efficient usage of electricity.
- Ensure street lighting in all areas and townships. Apply for electrification of Fullarton houses and school. Ensure that all housing projects are electrified. Provision of enough prepaid vending machines.
- Repair of high mast light in Steytlerville.

KEY OBJECTIVES FOR 2015/16

- Electricity supply to all inhabitants of Baviaans by 2017
- Upgrade electricity supply (bulk) to Willowmore and Steytlerville
- Implementation of the DoE grant of R3 m for the Upgrade of Willowmore Bulk Electricity, in so doing increase the NMD from 1,5 MvA to 2,1 MvA alleviating the present penalties paid by the Municipality

ANALYSIS OF FUNCTION

ELECTRICITY	TOTAL ANNUAL COST
Elec. Artisan Steytlerville	245 305
Elec. Artisan Willowmore	245 305
Electrical Assistant Willowmore	90 604
TOTAL	581 215

1. FUNCTION: OTHER

SUB-FUNCTION: PERFORMANCE MANAGEMENT

OVERVIEW

A Performance Management Framework was adopted by Council in 2008. This policy was reviewed for 15/16.

The Baviaans Council, internal audit and the Audit Committee pay special attention to the execution of the PMS policy as well as the performance of staff on all levels and the institution.

Baviaans Municipality obtained an automated PMS from Sarah Baartman District Municipality. The system was implemented during 2014.

Legislation

The function of performance management and its use by officials thereof is regulated by the following legislation:

- ❖ The Municipal Systems Act (32/2000).
- ❖ The Municipal Planning and Performance Management Regulations (2001).
- ❖ The Municipal Finance Management Act (56/2003).
- ❖ The Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers (2006).

The Municipal Finance Management Act of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires municipalities to prepare a SDBIP indicating how the strategic objectives of the IDP and Council will be implemented with the approved budget. The SDBIP does not require Council approval, but should be approved by the mayor within 28 days of the approval of the annual budget according to Section 53 (1) (c) (ii) of the MFMA. The municipality is then expected to publish the top layer of the SDBIP within 14 days after its approval by the mayor.

DESCRIPTION OF ACTIVITY

The oversight function of Performance Management within the municipality is performed by the manager, Community Services and includes monitoring the implementation of the Integrated Development Plan (IDP) through the (Service Delivery and Budget Implementation Plan) SDBIP and the performance of all employees within Baviaans Municipality.

Legislation states that key performance indicators and targets must be implemented to enable continual monitoring of the municipality and its administration. These indicators pinpoint areas of focus for each financial year as developed through the process of public participation, and listed in the IDP. Once approved, the IDP is married with the budget in a document called the SDBIP, which provides a workable management tool from which to operate under and monitor progress. The SDBIP is then used to develop a personalised performance plan system for each official, through the delegation of activities included in the SDBIP, and agreed upon individual performance plans. The SDBIP and performance plans of the Municipal Manager and other managers are published on the municipal website.

STRATEGIC OBJECTIVES

To ensure implementation of the municipality's Integrated Development Plan and continued improvement in the standard of performance of Baviaans Local Municipality through:

- Increased certainty of job roles, accountability and transparency of both officials and the institution
- Increased communication across the institution
- Provision of a platform for learning and development
- Facilitation of decision making through the clarification of goals and priorities
- Provision of early warning signals highlighting underperformance so that timely interventions can steer performance back on track
- Continual assessment of the performance of the municipality so as to address areas requiring improvement
- Investigation and assessment of outcome indicators to guide strategic direction
- Creation of a culture of performance at Baviaans Municipality among all officials including recognising excellent performance and curtailing and correcting poor performance

SUCSESSES 2015/16

- During the 2015/16 financial year the performance management evaluations were done on the following levels:
 - i) Institution (SDBIP)
 - ii) Sec 55 / 56 managers
 - iii) Lower level staff
 - iv) Suppliers
 - v) Interns
- The automated PMS was implemented
- Quarterly performance reports **on all five levels** were tabled to Council
- A Performance Management Official was appointed as from 1 July 2015 to take full responsibility of the performance management function.

ANALYSIS OF FUNCTION

Currently Performance Management is only challenges by the lack of a proper job evaluation committee to establish correct job descriptions to all employees

ANNEXURES

1. Performance Report 2015/16 (SDBIP)
2. Approved Municipal Structure 2015/16

DRAFT

ANNEXURE 1 – PERFORMANCE REPORT 2015/16

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1. BAVIAANS MUNICIPALITY'S PERFORMANCE 2015/16

1.1 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2014/15

SERVICE DELIVERY IMPLEMENTATION PLAN (SDBIP)

2015/16

4th Quarter

CAPITAL PROJECTS

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT											
Supply sustainable basic infrastructure to all inhabitants of Baviaans: <i>Water</i>	Sustainable water supply	Upgrading of bulk water supply to Steytlerville by 30 June 2016 via the Erasmuskloof Project	100% of RBIG allocation spend by 30 June 2016	Ward 2	500780161	*Budget revised R23 691 228	Target: Spend R14 284 788.58 on Phase 4 water treatment Actual: R17 310 350 spend. Phase 4 Water treatment component completed	Target: Spend R5 697 667.56 Actual: R2 588 391.00 Reason: Overspending of target 1st Q reason not obtaining target in second target.	Target: Spend R901 754.39 Actual: 100% spend	Target: Project 100% completed Actual: Project completed	R Botha Service Delivery & Infrastructure
		Wanhoop Bulk water supply: Feasibility study by 30 June 2016	Execute feasibility study for bulk water supply to Wanhoop by 30 June 2016	Ward 1	500780151	R219 298.25 (Excluding VAT)	Target: Spend R87 719.30 Start with SCM process. Actual: R0 spend SCM Process completed Reason: Waiting for consultant to be appointed	Target: Spend R131 578.95 Actual: R0 spent Reason: Late appointment of consultant due to SCM problems Remedial Action: Consultant appointed in October 15. No claims until end Dec 15.	Target: Project 100% completed Actual: Project completed	Target: Project 100% completed Actual: Project completed	R Botha Service Delivery & Infrastructure

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding		Performance Milestones			Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT											
	Maintain & Repair all assets of Baviaans Municipality : <i>Water</i>	Water meters of RDP houses in Rietbron to be replaced by 30 June 2016.	Replace 420 water meters at RDP houses in Rietbron by 30 June 2016	Ward 4	10050339	R1 592 985.45 - Amount revised-Additional funding received.	Target: Spend R1 166 666.67 Actual: R334 957.20 spent. 300 meters installed	Target: Spend R426 318.78 Actual: R889 858.26 (208.7% over spend on target for the quarter)	Project to be 100 % completed	Project completed	R Botha Service Delivery & Infrastructure
Supply sustainable basic infrastructure to all inhabitants of Baviaans: <i>Municipal Assets</i>	Upgrade municipal assets	Upgrading of sports ground facilities in Rietbron by 30 June 2016	100% of grant funding spend by 30 June 2016	Ward 4	510500131	R1 167 105.00 (excluding VAT)	Target: Spend R250 000.00. Appoint consultant Actual: R42 283.76 Consultant appointed	Target: Spend R458 552.50 Actual: R410 023.71 (89.4% of of target spend)	Target: Spend R458 552.50 Actual: 100% completed	Target: Project 100% completed Actual: Project completed	R Botha Service Delivery & Infrastructure
Supply sustainable basic infrastructure to all inhabitants of Baviaans: <i>Streets & Storm Water</i>	Improve conditions of internal streets and roads in Willowmore & Steytlerville	Quality streets and storm water drainage in Willowmore & Steytlerville upgraded by 30 June 2016.	1 km of road completed by 30 June 2016	Wards 2 & 3	Willowmore: 510500081 Steytlerville: 510500071	Budget: R3 510 964.92 Willowmore: R1755 482.46 Steytlerville: R1 755 482.46	Target: Willowmore: R114 035.08 Steytlerville: R114 035.08 Actual: WM spent R 284 985.90 / SV R285 682-97. Spend on preliminary and general contractors and consultancy fees.	Target: Willowmore: R1 184 210.53 Steytlerville: R1 184 210.53 Actual: WM R1 038 482.25 SV R1 034 588.25 (87.7% of target spend for WM & 87, 4% of target spent for SV) Over 6 months period more spend than anticipated.	Target: Willowmore: R457 236.85 Steytlerville: R457 236.85 Actual: Project completed	Target: Project 100% completed Actual: Project completed	R Botha Service Delivery & Infrastructure

Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
					Sep-15	Dec-15	Mar-16	Jun-16	
Manenza Square- Rietbron- Upgrading of internal sewer and replace digesters-Phase 2	100% of grant funding spent by 30 June 2016	Ward 4	500780171	R1 929 825	Target: Spend R 1,403,508-77 Actual: R1 257 174-82 Replace existing small-bore sewerage and digesters with water borne sewerage, new manholes and house connections.	Target: Spend R 526 315.79 Actual: R701 273.38 (133% of target for 2nd Q) Target reached for six months period	Target: Completed project Actual: 100% completed	Target: Completed project Actual: 100% completed	R Botha Service Delivery & Infrastructure
Install high mast light in Rietbron by 30 June 2016	Do one electricity connection for high mast light in Rietbron by 30 June 2016	4	500740031	R175 439	Target: Install high mast light in Rietbron with electricity connection Actual: R25 150.00 Eskom electricity supply connection. Project completed	Target: Connect electricity supply Actual: R174 850 - Project completed.	Target: Project completed Actual: 100% completed	Target: Project completed Actual 100% completed	R Botha Service Delivery & Infrastructure

OPERATIONAL PROJECTS
INFRASTRUCTURE DEVELOPMENT

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT											
Repair & Maintenance	Maintain & Repair all assets of Baviaans Municipality: <i>Vehicles</i>	Effective vehicle management system implemented by 30 June 2016	Develop an action plan for the maintenance and service of all municipal vehicles by 30 June 2016	Ward 2,3,4	10050339	*R498 000	Target: Table Quarterly Action Plan on maintenance of vehicles to Council Actual: R0 spent in 1st quarter Reason: Spread sheet developed with list of all vehicles to be maintained	Target: Table Quarterly Action Plan on maintenance of vehicles to Council - Spent R120 000 in 2nd quarter Actual: Vehicle on lease agreement are maintained according to our agreement with ABSA. The remaining vehicles is checked by the vehicle examiner when it is due for service	Target: Table Quarterly Action Plan on maintenance of vehicles to Council - Spend R169 663 in 3rd quarter Actual: Vehicle on lease agreement are maintained according to our agreement with ABSA. The remaining vehicles is checked by the vehicle examiner when it is due for service	Target: Table Quarterly Action Plan on maintenance of vehicles to Council - spend R0 in 4th quarter Actual: Vehicle on lease agreement are maintained according to our agreement with ABSA. The remaining vehicles is checked by the vehicle examiner when it is due for service	R Botha Service Delivery & Infrastructure
	Maintain & Repair all assets of Baviaans Municipality: Other Assets	Effective management system implemented to ensure proper maintenance of all municipal assets : Sanitation, Electricity, Water, Building, Parks, Streets, TV, Tools, Equipment, Signs, Grounds & Fencing by 30 June 2016		All		R742 857	Target: Table Quarterly Action Plan on maintenance to Council Actual: R0 spent in 1st quarter Reason: Spread sheet developed with list of all vehicles to be maintained	Target: Table Quarterly Action Plan on maintenance Council - Spent R 669 604 in 2nd quarter Actual: Reason: Remedial Action:	Target: Table Quarterly Action Plan on maintenance to Council - Spend in R334 802 3rd quarter Actual: Reason: Remedial Action:	Target: Table Quarterly Action Plan on maintenance to Council - spend R334 802 in 4th quarter Actual: Reason: Remedial Action:	R Botha Service Delivery & Infrastructure

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding		Performance Milestones			Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT											
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service.	Encourage efficient use of municipal assets	Vehicle Testing Centre in Willowmore to comply with legal requirements by 30 June 2016	Ensure that prescribed recommendations by EC DOT are implemented by 30 June 2016	Ward 1			Target: Fill vacancies Actual: Vehicle examiner appointed, cashier interviews on 6/11/15. Appointment from 1/12/15	Target: Fill vacancies Actual: One cashier has been appointed & the advert has been placed for the examiner. Ad for examiner closed 7/1/16. 2 applications received.	Target: Fill vacancies Actual: One cashier has been appointed & the advert has been placed for the examiner. Ad for examiner closed 7/1/16. 2 applications received.		R Botha Service Delivery & Infrastructure
Supply sustainable basic infrastructure to all inhabitants of Baviaans: <i>Electricity</i>	Electricity supply to all inhabitants of the Baviaans	Bulk electricity Supply: Willowmore 30 June 2016	Upgrade bulk electricity supply for Willowmore by 30 June 2016	Ward 1/3		R2 631 580 (excl VAT)			Target: Upgrade electricity supply in Willowmore	Target: Upgrade electricity supply in Willowmore Actual: Consultant appointed	R Botha Service Delivery & Infrastructure

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 4: FINANCIAL VIABILITY											
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service.	Improve financial systems and controls	Ensure an effective GRAP compliant Asset Register implemented by 30 June 2016	A complete and up to date GRAP compliant Asset Register implemented by 30 June 2016	1,2,3,4		No Budget	Target: Asset Register reconcile to General Ledger Actual: Done	Target: Asset Register reconcile to General Ledger Actual: Done	Target: Asset Register reconcile to General Ledger Actual: Done	Target: Asset Register reconcile to General Ledger Actual: Done	CFO - vacant
		Adhere to requirements of reporting to National Treasury within required timeframes by 30 June 2016	All reporting in terms of NT requirements are executed within the required timeframes until 30 June 2016	1,2,3,4		No Budget	Target: 3 x Sec 71 reports, 1 x Sec 52 report, quarterly reports as required submitted on time Actual: Done - all returns submitted	Target: 3 x Sec 71 reports, 1 x Sec 52 report, quarterly reports as required submitted on time Actual: Done - all returns submitted	Target: 3 x Sec 71 reports, 1 x Sec 72 report, quarterly reports as required and 1 Adj Budget & Source of Funding submitted on time Actual: Done - all returns submitted	Target: 3 x Sec 71 reports, 1 x Sec 52 report, quarterly reports as required, 1 x draft Budget & Source of Funding and 1 x final Budget & Source of Funding submitted on time Actual: Done - all returns submitted	CFO - vacant
		Implement National treasury Regulations MFMA Circular No 68 - fruitless, irregular and wasteful expenditure by 30 June 2016	Adhere to all procedures in terms of NT circular 68 until 30 June 2015	1,2,3,4		No Budget	Target: Quarterly report on fruitless, wasteful or unauthorized expenditure to Council for resolution Actual: Reported as required	Target: Quarterly report on fruitless, wasteful or unauthorized expenditure to Council for decision making Actual: Reported as required	Target: Quarterly report on fruitless, wasteful or unauthorized expenditure to Council for decision making Actual: Reported as required	Target: Quarterly report on fruitless, wasteful or unauthorized expenditure to Council for decision making Actual: Reported as required	CFO - vacant

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 4: FINANCIAL VIABILITY											
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service.	Improve financial systems and controls	Improve Financial info Systems (IT) by 30 June 2016	Upgrade of IT servers in preparation for SCO A by 30 June 2016	1,2,3,4	10008220	MSIG :R555 000	Target: Needs analysis and Tender specification Actual: Needs analysis done	Target: Upgrade of servers completed Actual: Needs analysis indicates that changes should be made to the KPI. Reason: mSCO A implementation postponed at Baviaans. More urgent computer needs were identified Remedial Action: Adjustment Budget will follow	Adjustments made in adjustment budget as MSCOA will not be implemented by Baviaans Municipality. Funds still earmarked for improvements in financial systems. Specifications obtained	MSCOA implementation postponed at Baviaans. Merge new municipality	CFO - vacant
		Execute Free Basic Services Policy: Annual update of indigents for 2015/16 recorded by 31 July 2015 and monthly updates there after	All approved indigents for 2015/16 updated by 31 July 2015 and monthly thereafter	Budget and treasury office		No budget	Target: Approved list of indigents for 2014/15 recorded and implemented by 31 July 2014 and thereafter each month Actual: Done	Target: 3 x monthly updates of indigents approved by council and implemented Actual: Done	Target: 3 x monthly updates of indigents approved by council and implemented Actual: Done	Target: 3 x monthly updates of indigents approved by council and implemented Actual: Done	CFO - vacant
		Increase payment rate by 30 June 2016	Average 90% payment rate (total revenue received from debtors iro accounts billed) by 30 June 2016	1,2,3,4		No Budget	Target: average payment rate 70% Actual: 64% Reason: Delay in payment of Government Departments Remedial Action: Better communication with Government Departments	Target: Average payment rated 85% Actual: 70% Reason: Effect early billing in December and no disconnections implemented in Dec 15. Remedial Action: Disconnections and blocking of electricity services on 25/1/2016	Target: Average payment rate 95% Actual: 101.81%	Target: Average payment rate 100% Actual: 87.8% Ongoing labour unrest affected payment rates throughout the quarter	CFO - vacant
		Effective control over collection of property rates by 30 June 2016	Ensure average 90% recovery rate of property rates billed by 30 June 2016	1,2,3,4		No Budget	Target: Average payment rate 50% Actual: 37% Reason: Rates raised annually, payable monthly Remedial Action Further engagement with REVCO re rates that were due annually	Target: Average payment rate 65% Actual: 56% Reason: Rates are raised annually, Payable monthly. Remedial Action: Further engagement with REVCO re rates that were due annually	Target: Average payment rate 80% Actual: 68%	Target: Average payment rate 100% Actual: 89.8%	CFO - vacant

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
		Indicator					Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 4: FINANCIAL VIABILITY											
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service.	Improve revenue collection	Increase additional municipal revenue to 100% by 30 June 2016	Ensure 100% receipt of all government subsidies and grants as gazetted within timeframes by 30 June 2016	1,2,3,4		No Budget	Target: 100% of all grants as per payment schedule received Actual: Grants received as per payment schedule	Target: 100% of all grants as per payment schedule received Actual: Grants received as per payment schedule	Target: 100% of all grants as per payment schedule received Actual: Grants received as per payment schedule	Target: 100% of all grants as per payment schedule received Actual: Grants received as per payment schedule	CFO - vacant
	Keep expenditure under control	Ensure effective spending of municipal funds : no overspending until 30 June 2016	No over spending of the approved Budget & Sources of Funding by 30 June 2016	1,2,3,4		No Budget	Target: No overspending Actual: No overspending on total budget	Target: No overspending Actual: No overspending on budget	Target: No overspending Actual: No overspending on budget	Target: No overspending Actual: No overspending on budget	CFO - vacant
		Prepare quarterly Supply Chain Management Reports until 30 June 2016	Table quarterly reports to Council until 30 June 2016	1,2,3,4		No Budget	Target: Quarterly SCM reports to Council Actual: Done	Target: Quarterly SCM reports to Council Actual: Done	Target: Quarterly SCM reports to Council Actual: Done	Target: Quarterly SCM reports to Council Actual: Done	CFO - vacant
	Effective implementation of Internship programme in Finance Department by 30 June 2016	Ensure that five interns at all times employed Finance Department by 30 June 2016	Fill any vacancies of interns within 3 months		10008082	R300 000 - FMG funds	Target: Ensure that 5 interns are appointed Actual: 3 interns as at 30 September 2015 Reason: Resignations Remedial Action Advertisement to be placed in local newspaper to expedite recruitment	Target: Ensure that 5 interns are appointed Actual: Two interns at 21/12/15. Reason: Resignations and disciplinary action taken Remedial Action: Retention of current interns to be made a priority	Target: Ensure that 5 interns are appointed Actual: Two interns Reason: No appointments allowed due to merge	Target: Ensure that 5 interns are appointed Actual: Two interns. Reason: Resignations and disciplinary action taken - moratorium placed on further appointments as per S32 notice.	CFO - vacant

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION											
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service.	Improve status of Audit Report	Improve outcome of Audit Report: Execute Audit Action Plan to address previous audit findings by 31 December 2016	At least an unqualified Audit Report for 2015/2016			No Budget	Target: Ensure that all audit findings for 14/15 are addressed in terms of the Audit Action Plan Actual: Done. Await audit outcome for 14/15	Target: Ensure that all audit findings for 14/15 are addressed in terms of the Audit Action Plan Actual: Done as shown by audit outcome	Project completed	Project completed	CFO - vacant
	Oversight (MPAC)	Quarterly MPAC meetings to assist with oversight function until 30 June 2016	Arrange quarterly MPAC meetings until 30 June 2016			No Budget	Target: One Audit Committee meeting in 1st Q Actual: Meeting held on 14/8/15- minutes tabled to council	Target: One Audit Committee meeting in 2nd Q Actual: One meeting held - 21/10/15 - minutes tabled to council	Target: One Audit Committee meeting in 3rd Q Actual: Meeting on 10 March 2016. Minutes tabled to council	Target: One Audit Committee meeting in 4th Q Actual: Meeting 14 May 2016	M Lötter Corporate Services Manager
	Audit Committee	Quarterly Audit Committee meetings to assist with oversight function until 30 June 2016	Arrange quarterly Audit Committee meetings until 30 June 2016				Target: One Audit Committee meeting in 1st Q Actual: Meeting held on 14/8/15- minutes tabled to council	Target: One Audit Committee meeting in 2nd Q Actual: One meeting held - 21/10/15 - minutes tabled to council	Target: One Audit Committee meeting in 3rd Q Actual: Meeting on 10 March 2016. Minutes tabled to council	Target: One Audit Committee meeting in 4th Q Actual: No meeting in 4th quarter	M Lötter Corporate Services Manager
	Sound corporate administration	Execute council resolutions end of each quarter	Keep register of council resolutions to be executed on a quarterly basis			No Budget	Target: Table report on updated council resolution register to council Actual: Register updated for 1st Q & tabled to council.	Target: Table report on updated council resolution register to council Actual: Updated register tabled to council in 2nd Q	Target: Table report on updated council resolution register to council Actual: Register tabled to council	Target: Table report on updated council resolution register to council Actual: Register tabled to council	M Lötter Corporate Services Manager
	Ensure effective Archive System	All documents filed according to prescribed regulations	Compliant filing system by 30 June 2016				Targets: File all council resolutions according to registry procedure Actual: Outstanding due to reference numbers on agenda items missing & shortage of staff (according to registry procedure)	Targets: File all council resolutions according to registry procedure Actual: Outstanding. Reason: (i) No response from Cogta about electronic system (ii) Need additional Archive Official as stipulated in Archive manual	Targets: File all council resolutions according to registry procedure Actual: Outstanding. Reason: (i) No response from Cogta about electronic system (ii) Need additional Archive Official as stipulated in Archive manual	Targets: File all council resolutions according to registry procedure Actual: Outstanding. Reason: (i) No response from Cogta about electronic system (ii) Need additional Archive Official as stipulated in Archive manual	M Lötter Corporate Services Manager

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION											
Working towards the creation of a stable, capacitated personnel-corps geared to increased service delivery and good performance in service delivery	Improve customer care: control complaints	Ensure effective customer care in all areas by 30 June 2016.	No more than 5% un-addressed complaints on a quarterly basis until 30 June 2016			No Budget	Target: Ensure <5% outstanding complaints. Table Help Desk reports to council Actual: 24%: 13% normal complaints 11 geyser complaints Reason: Strike by technical services workers as from 3 July until 12 August 15. No attention given to complaints.	Target: Ensure <5% outstanding complaints. Table Help Desk reports to council Actual: 5% unaddressed complaints (excluding geyser complaints)	Target: Ensure <5% outstanding complaints. Table Help Desk reports to council Actual: 32% Reason: During SAMWU strike no workers available to attend to complaints	Target: Ensure <5% outstanding complaints. Table Help Desk reports to council Actual: 17% Reason: During SAMWU strike no workers available to attend to complaints	M E de Beer Community Services Manager
	Performance management	Customer care survey done internally or externally by 30 June 2016	Source funds from COGTA to do customer care survey in all four wards by 30 June 2016			No budget	Target: Source funds from: COGTA Actual: Had meeting with Mr Mini (COGTA). He mentioned that no funding would be made available.	Target: Source funds from: COGTA Actual: Prepare documents to do own customer care survey in 3rd Q Reason: No funding available for COGTA	Target: Source funds from: COGTA Actual: Prepare documents to do own customer care survey in 3rd Q Reason: No funding available for COGTA	Target: Source funds from: COGTA Actual: Prepare documents to do own customer care survey in 3rd Q Reason: No funding available for COGTA	M E de Beer Community Services Manager

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding		Performance Milestones			Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION											
		Quarterly evaluation of lower level staff on an automated evaluation system to ensure more effective staff by 30 June 2016	All lower level staff must be evaluated on a quarterly basis on an automated evaluation system.			No Budget	Target: Ensure quarterly evaluations of lower level staff. Table a report every quarter to Council with a summary of lower staff evaluations. Actual: Evaluations done except Technical dept - report on 26/11/15.	Target: Ensure quarterly evaluations of lower level staff. Table a report every quarter to Council with a summary of lower staff evaluations. Actual: 80% of all staff evaluated - including Technical Services	Target: Ensure quarterly evaluations of lower level staff. Table a report every quarter to Council with a summary of lower staff evaluations. Actual: 80% of all staff evaluated - including Technical Services	Target: Ensure quarterly evaluations of lower level staff. Table a report every quarter to Council with a summary of lower staff evaluations. Actual: 80% of all staff evaluated - including Technical Services	M E de Beer Community Services Manager
	Local Labour Forum	Effective monthly Local Labour Forum meetings	Arrange monthly Local Labour Forum meetings			No Budget	Target: Ensure that monthly local labour forums are taking place Actual: Meetings held ; 9/9/15; 16/9/15 ; - minutes tabled to council	Target: Ensure that monthly local labour forums are taking place Actual: Meetings held 5/10/15 ; - minutes tabled to council	Target: Ensure that monthly local labour forums are taking place Actual: Meeting organised. No meeting took place Reason: No quorum due to labour issues	Target: Ensure that monthly local labour forums are taking place Actual: No LLF Reason: Union related labour issues	M Lötter Corporate Services Manager
	Improve internal and external control and communication by 30 June 2015	Execute Communication Action Plan by end of each quarter	Improve internal communication		1008220		Target: Execute Communication Action Plan with specific reference to internal communication. POE quarterly report to Council Actual: Action Plan updated and tabled to council on 26/11/15.	Target: Execute Communication Action Plan with specific reference to internal communication. POE quarterly report to Council Actual: Action plan updated and will be tabled at next council meeting	Target: Execute Communication Action Plan with specific reference to internal communication. POE quarterly report to Council Actual: Action Plan updated and tabled to council	Target: Execute Communication Action Plan with specific reference to internal communication. POE quarterly report to Council Actual: Action Plan updated and tabled to council	M E de Beer Community Services Manager

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
		Indicator					Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION											
	Community participation structures to help identify community needs	Quarterly Ward Committee meetings until 30 June 2016	Organise meetings with ward committee members in all four wards until 30 June 2016	Ward 1,2,3,4	10008220	R75 000	Target: Ensure that ward committee meetings take place - table minutes to council Actual: Meetings held - minutes tabled to council	Target: Ensure that ward committee meetings take place - table minutes to council Actual: Reason: Minutes held - minutes tabled to council	Target: Ensure that ward committee meetings take place - table minutes to council Actual: Minutes held - minutes tabled to council	Target: Ensure that ward committee meetings take place - table minutes to council Actual: Meetings held to implement CWP Programme. Minutes available	M E de Beer Community Services Manager
Proud citizens that contribute to the develop-ment of their town/s	Better educated communities	Equip libraries with books & other necessities by 30 June 2016	Audit library needs and develop business plan before 31/12/15	Ward 1,2,3,4	10038056	R100 000 BM	Target: Table business plan on library needs to Council Actual: Documents send to DSRAC for payment	Target: Quarterly report to Council on purchases made Actual: Funding not received from DSRAC. Remedial Action: MM did letter to DSRAC	Target: Quarterly report to council on purchases made Actual: No purchased in 3rd quarter Reason: Received funding end March 2016	Target: Quarterly report to council on purchases made Actual: Orders placed	M E de Beer Community Services Manager

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 1: MUNICIPAL INSTITUTIONAL DEVELOPMENT & TRANSFORMATION											
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service	Improve control of municipal assets	Ensure that contracts for the use of municipal property (including commonages) are in place by 30 June 2016	Compile a Lease Register with a list of all signed lease agreements by 30 June 2016			No budget	Target: Table list of all lease agreements on municipal property to council once a quarter Actual: Not tabled to council Reason: List is updated. Problem with Wm & RB commonages	Target: Table list of all lease agreements on municipal property to council once a quarter Actual: Not tabled to council Reason: List is updated. Problem with Wm & RB commonages	Target: Table list of all lease agreements on municipal property to council once a quarter Actual: Not tabled to council Reason: List is updated. Problem with Wm & RB commonages	Target: Table list of all lease agreements on municipal property to council once a quarter Actual: Not tabled to council Reason: List is updated. Problem with Wm & RB commonages	M Lötter Corporate Services Manager
Striving towards the creation of a stable and capacitated personnel corps to improve service delivery and good performance in service delivery	An effective customized organizational structure with trained and skilled personnel	Number of personnel that benefits from municipal training programmes (Work Skills Plan) by 30 June 2016	Train at least 10 personnel members for 15/16 to benefit from Work Skills Plan by 30 June 2016		10006050	R22 650	Target: Table a report to Council with a list of the names of personnel who were trained during the quarter. Actual: Not done Reason: No members on training	Target: Table a report to Council with a list of the names of personnel who were trained during the quarter. Actual: List tabled to council on 8/12/15	Target: Table a report to Council with a list of the names of personnel who were trained during the quarter. Actual: Report tabled to council	Target: Table a report to Council with a list of the names of personnel who were trained during the quarter. Actual: Completed	M Lötter Corporate Services Manager
		Number of senior managers that benefits from training: Certificate in Municipal Finance Management	Train at least two senior managers before 30 June 2016		10008082	R100 000	Target: Table report to Council on progress made by two senior managers benefitting from training in Certificate in Municipal Finance Management Actual: No report for 1st Q	Target: Table report to Council on progress made by two senior managers benefitting from training in Certificate in Municipal Finance Management Actual: No report for 2nd quarter	Target: Table report to Council on progress made by two senior managers benefitting from training in Certificate in Municipal Finance Management Actual: None Reason: Due to continuous strike action Remedial Action: Strike ended end May 2016	Target: Table report to Council on progress made by two senior managers benefitting from training in Certificate in Municipal Finance Management Actual: None	M Lötter Corporate Services Manager
			Execute Employment Equity Plan by the end of each quarter for the year ending 30 June 2016	Review & execute the Employment Equity Plan by 30 June 2016				Target: Review Employment Equity Action Plan with comments - table reviewed plan to council Actual: Started with fieldwork to gather information. EEP will be finalised before deadline in Jan 16.	Target: Table Employment Equity Action Plan with comments to Council Actual: Reviewed EEP completed and submitted to Dept of Labour before deadline 15/1/16. Thereafter it will be tabled to council	Target: Table Employment Equity Action Plan with comments to Council Actual: Not done Reason: EEP will change after merge of the three municipalities on 3/8/16	Target: Table Employment Equity Action Plan with comments to Council Actual: Not done Reason: EEP will change after merge of the three municipalities on 3/8/16

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
		Indicator					Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 1: MUNICIPAL INSTITUTIONAL DEVELOPMENT & TRANSFORMATION											
Striving towards the creation of a stable and capacitated personnel corps to improve service delivery and good performance in service delivery	Compliant HR administrative system	Employment files to adhere to all legal requirements by 30 June 2016	Contents of all personnel files (including job descriptions) adhere to all required compliance by 30 June 2016			No budget	Target: Ensure compliance to regulations - personnel files. Actual: Compliant with all new files	Target: Ensure compliance to regulations - personnel files. Actual: All files related to new appointments are complaint. Job evaluation Unit has been established. Working session on 29/1/16 (SBDM)	Target: Ensure compliance to regulations - personnel files. Actual: All files related to new appointments are complaint. Job evaluation Unit has been established.	Target: Ensure compliance to regulations - personnel files. Actual: All files related to new appointments are complaint. Job evaluation Unit has been established.	M Lötter Corporate Services Manager
	Compliant HR administrative system	Cost effective & disciplined staff by 30 June 2016	Record keeping of all disciplinary hearings on a quarterly basis by 30 June 2016			No budget	Target: Keep record of disciplinary hearings and table quarterly report to council Actual: No hearings in 1st Q	Target: Keep record of disciplinary hearings and table quarterly report to council Actual: No hearings for 2nd quarter. Presiding Officer will be appointed in Jan 16 for to outstanding hearings.	Target: Keep record of disciplinary hearings and table quarterly report to council Actual: No hearings in 3rd quarter	Target: Keep record of disciplinary hearings and table quarterly report to council Actual: One Hearing in July 2017	M Lötter Corporate Services Manager

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
		Indicator					Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 3 LOCAL ECONOMIC DEVELOPMENT											
The youth of Baviaans are actively integrated and contribute to community development	Promote self-development	Number of individuals that will benefit from computer training courses by 30 June 2016	Train at least 60 students to benefit from basic computer training courses by 30 June 2016	Ward 1,2,3,4	10012116	R26 450 BM	Target: Train at least 15 people. Table quarterly report to Council on number of students trained Actual: 30 students current busy with training	Target: Train at least 15 people. Table quarterly report to Council on number of students trained Actual: 15 people trained - report to next council meeting Remedial Action:	Target: Train at least 15 people. Table quarterly report to Council on number of students trained Actual: 15 people trained	Target: Train at least 15 people. Table quarterly report to Council on number of students trained Actual: 25 people trained	M E de Beer Community Services Manager
SMME's are provided with mandated municipal support that facilitates their growth and success	Promote opportunity for local job creation (SMME development)	Business plan for development of Rietbron crafters by 30 June 2016	Implement business plan by 30 June 2016	Ward 2	10011046	R132 000 SBDM	Target: Prepare report on progress made and expenditure on project- Table quarterly report to Council Actual: Business plan Developed - Report tabled to council	Target: Prepare report on progress made and expenditure on project- Table quarterly report to Council Actual: Meeting held in Rietbron Crafters in 2nd quarter. SCM process will follow. Reason: Funding only received from SBDM at the end of October 2015.	Target: Prepare report on progress made and expenditure on project- Table quarterly report to Council Actual: Consultant appointed	Target: Prepare report on progress made and expenditure on project- Table quarterly report to Council Actual: Project completed	M E de Beer Community Services Manager
A pleasurable tourist experience	Promote local tourism	Execution of Tourism Plan & annual review of the Plan by 30 June 2016	Quarterly monitoring by Council on the implementation of the Tourism Action Plan until 30 June 2016.	Ward 1,2,3,4	<u>Website</u> 10011040; <u>W/Shops</u> 10011038; <u>Road signs</u> 10011039; <u>Sundries:</u> 10011037; <u>Marketing</u> 10011041; <u>Product Dev</u> 10011044	R153 410 BM	Target: Execute Tourism Action Plan - Report to Council for oversight Actual: Report tabled to council 26/11/15	Target: Execute Tourism Action Plan - Report to Council for oversight Actual: Tourism Plan Executed - table report to council.	Target: Execute Tourism Action Plan - Report to Council for oversight Actual: Tourism Plan Executed - table report to council.	Target: Execute Tourism Action Plan - Report to Council for oversight Actual: Tourism Plan Executed - table report to council.	M E de Beer Community Services Manager
Enhance Local Economic Development in Baviaans	Promote Local Economic Development	Execution of LED Plan & annual review of the Plan by 30 June 2016	Quarterly monitoring by Council on the implementation of the LED Action Plan by 30 June 2016.	Ward 1,2,3,4	10013059	R26 450 BM	Target: Execute LED Action Plan - Report to Council for oversight Actual: Report tabled to council 26/11/15	Target: Execute LED Action Plan - Report to Council for oversight Actual: LED Action Plan Executed - report to council	Target: Execute LED Action Plan - Report to Council for oversight Actual: LED Plan Executed - table report to council.	Target: Execute LED Action Plan - Report to Council for oversight Actual: LED Plan Executed - table report to council.	M E de Beer Community Services Manager

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 3 LOCAL ECONOMIC DEVELOPMENT											
Enhance Local Economic Development in Baviaans		Establish a recycling project in Willowmore by 30 June 2016	Quarterly monitoring reports to Council on progress made with the recycling project in Willowmore. Project must be completed by 30 June 2016	Ward 3	500130021	R389 035 MIG (Excluding VAT)	Target: Follow SCM process - Table quarterly report to Council on progress and expenditure Actual: SCM process completed.	Target: Develop progress report on work done by contractor - Table report to Council Actual: Contractor appointed. Busy on site with erection of buildings. Reason: Remedial Action:	Target: Table quarterly report to Council on progress and expenditure Actual: Project completed.	Target: Table quarterly report to Council on progress and expenditure Actual: Project completed. 100% budget spent	M E de Beer Community Services Manager
		Establish a LED/SMME Centre in Steytlerville By 30 June 2016	Upgrade old Kommarin Building in Steytlerville by 30 June 2016.	Ward 2		R190000 BM & S A Lime	Target: Do SCM process Actual: SCM process not started Reason: Specifications must be done Remedial Action: Specification Committee will sit in 2nd quarter	Target: Do SCM process Actual: SCM process not started Reason: Specification meeting did not take place Remedial Action: Cash flow under pressure. Cannot start with SCM process	Target: Develop progress report and table to council Actual: Could not start with project Reason: No funding	Target: Develop progress report and table to council Actual: Could not start with project Reason: No funding	M E de Beer Community Services Manager

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones				Responsible Sec 56 manager
							Sep-15	Dec-15	Mar-16	Jun-16	
KEY PERFORMANCE AREA 3: LOCAL ECONOMIC DEVELOPMENT											
Address high unemployed-ment rate in Baviaans	Job creation / Poverty alleviation	EPWP labour intensive programme to address high unemployment rate by 30 June 2016	Effective implementation of EPWP Labour Incentive Conditional Grant by 30 September 2015	Ward 1,2,3,4	10050301	R1 018 000 DPW	Target: Quarterly reports to Council - employ 62 people per quarter Actual: 62 people employed	Target: Quarterly reports to Council - number of people employed Actual: 62 people employed	Target: Quarterly reports to Council - number of people employed Actual: 62 people employed	Target: Quarterly reports to Council - number of people employed Actual: 62 people employed	R Botha Service Delivery & Infrastructure
		Sakha Sizwe Labour Programme to address the high unemployment rate by 30 June 2016	Implement the Programme & negotiate to increase the number of people on the Sakha Sizwe Programme	Ward 1,2,3,4		DPW	Target: Quarterly reports to Council - employ max of allocated posts for Sakha Sizwe Actual: Rietbron 125; WM 160; Vondeling 17; Miller 4; SV 157. Total Sakha Sizwe employed 463	Target: Quarterly reports to Council - number of people employed Actual: Rietbron 125; WM 160; Vondeling 17; Miller 4; SV 157. Total Sakha Sizwe 463	Target: Quarterly reports to Council - number of people employed Actual: Rietbron 125; WM 160; Vondeling 17; Miller 4; SV 157. Total Sakha Sizwe 463	Target: Quarterly reports to Council - number of people employed Actual: Rietbron 125; WM 160; Vondeling 17; Miller 4; SV 157. Total Sakha Sizwe 463	R Botha Service Delivery & Infrastructure
		To be a co-partner in the Rural Development Plan for Rietbron by 30 June 2016	Annual report to Council on progress made by Dept of Rural Development with the Path out of Poverty Programme by 30 June 2016	Ward 4		No budget	Target: 0	Target: 0	Target: 0	Target: Annual report to Council on progress made. Actual: No feedback from departments. No progress made	M E de Beer Community Services Manager

1.2 SDBIP 2015/16 – OPERATING & CAPITAL BUDGET

	Approved Budget	Adjustments	Final Budget	Actual Amounts on comparable bases	Difference between final Budget and actual
Statement of Financial Position					
Assets					
Current Assets					
Inventories	9 000	-	9 000	18 466	9 466
Other receivables	708 000	-	708 000	406 425	(301 575)
VAT receivable	-	-	-	2 198 699	2 198 699
Consumer debtors	1 360 000	-	1 360 000	3 286 885	1 926 885
Cash and cash equivalents	675 000	-	675 000	565 439	(109 561)
	2 752 000	-	2 752 000	6 475 914	3 723 914
Non-Current Assets					
Investment property	38 434 000	-	38 434 000	30 188 859	(8 245 141)
Property, plant and equipment	246 114 000	2 807 000	248 921 000	247 599 566	(1 321 434)
Intangible assets	-	-	-	158 052	158 052
Heritage assets	-	-	-	659 164	659 164
Investments in associates	231 000	-	231 000	-	(231 000)
Other receivables	-	-	-	2 648 000	2 648 000
	284 779 000	2 807 000	287 586 000	281 253 641	(6 332 359)
Total Assets	287 531 000	2 807 000	290 338 000	287 729 555	(2 608 445)
Liabilities					
Current Liabilities					
Repayment - National Revenue Fund	-	-	-	742 616	742 616
Finance lease obligation	660 000	-	660 000	334 442	(325 558)
Trade and other payables	22 531 000	-	22 531 000	25 618 377	3 087 377
Consumer deposits	392 000	-	392 000	560 280	168 280
Unspent conditional grants and receipts	-	-	-	1 112 688	1 112 688
Provisions	1 000	-	1 000	-	(1 000)
	23 584 000	-	23 584 000	28 368 403	4 784 403
Non-Current Liabilities					
Finance lease obligation	4 005 000	-	4 005 000	194 770	(3 810 230)
Provisions	4 452 000	-	4 452 000	8 381 491	3 929 491
	8 457 000	-	8 457 000	8 576 261	119 261
Total Liabilities	32 041 000	-	32 041 000	36 944 664	4 903 664
Net Assets	255 490 000	2 807 000	258 297 000	250 784 891	(7 512 109)
Net Assets					
Reserves					
Accumulated surplus	255 490 000	2 807 000	258 297 000	250 784 891	(7 512 109)

1.3 GENERAL KEY PERFORMANCE INDICATORS IN TERMS OF SECTION 43 REGULATION 10 OF THE MSA

- (a) The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal: Water – 98,7 %; Sanitation – 78 % flush toilet, 12 % flush toilet plus septic tank, 0, 02 % VIP's, 01 bucket remaining; Electricity – 86,7 %; Solid waste – 100 %
- (b) The percentage of households earning less than R 1 200 per month with access to free basic services: 100%
- (c) The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's IDP: 80.21%
- (d) The number of jobs created through the municipality's local economic development initiatives including capital projects: EPWP - 1827 job created; RBIG – 344; MIG – 50 (Total – 2221)
- (e) The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality are three employees. The municipality does have an Employment Equity Plan: 60%.
- (f) The percentage of a municipality's budget actually spent on implementing its workplace skills plan: 100%
- (g) Financial viability as expressed by ratios: 6.40% outstanding debtors to actual income.

Furthermore, according to MFMA Circular No 13, the top layer of the SDBIP, required for publishing is expected to include the following five components:

- (a) Monthly projects of revenue to be collected for each source,
- (b) Monthly projects of expenditure (operating & capital) and revenue for each vote
- (c) Quarterly projections of service delivery targets and performance indicators
- (d) Ward information for expenditure and service delivery
- (e) Detailed capital works plan broken down by ward over three years

2. DEVELOPMENT PRIORITIES

The development priorities were not amended during the IDP review process and are reflected in tabular format.

Note: The goals of the five Key Performance Areas:

1. **Municipal institutional development & transformation**
2. **Basic infrastructure & Service delivery**
3. **Local Economic Development**
4. **Financial viability & management**
5. **Good governance & public participation**
6. **Spatial analysis**

are included in the four development priorities of the Baviaans Municipality.

Development Priority 1: Building the Institution and Employee Capacity

The Accelerated and Shared Growth Initiative for South Africa (ASGISA) that is driven on a national level has identified six factors that constrain growth in South Africa. One of these is the shortage of skills, which is especially relevant across all aspects of local government.

It is also apparent from the analysis of the data that the municipality is faced with serious challenges. A strong institution with the necessary capacity is vital to address these challenges successfully.

Considering the above the municipality identified building the institution and employee capacity as its first priority. The following objectives were identified for this priority:

Development Priority 1 – Building the institution and employee capacity – KPA 1, 4 & 5

DEVELOPMENT PRIORITY 1: BUILDING THE INSTITUTION AND EMPLOYEE CAPACITY	
Objective 1.1	A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service
Objective 1.2	Working towards the creation of a stable, capacitated personnel-corps geared to increased service delivery and good performance in services delivered
Objective 1.3	All areas of development in the Baviaans Municipality must be planned thoroughly
Objective 1.4	Promotion of the image of the Baviaans Municipality
Objective 1.5	Well established communication channels
Objective 1.6	Community Participation

Development Priority 2: Enhance Community Services

Based on the limited resources and capacity in the area a strategic choice was made and that is to invest in the people in the area. In order to combat the unemployment rate, low-income levels and decline in the population growth economic development and the provision of physical structures is important, but without developing the people in the area these challenges could never be addressed successfully.

The NSDF confirms the principle of investing in people in stipulating, “in areas with low development potential government spending should focus on providing social transfers, human resource development and labour market intelligence.”

The municipality thus accepted its second development priority as the enhancement of community services. The development priority with its relevant objectives is reflected below.

Development Priority 2 – Enhance community services – KPA 3 & 5

DEVELOPMENT PRIORITY 2: ENHANCE COMMUNITY SERVICES	
Objective 2.1	Proud citizens that contribute to the development of their town/s
Objective 2.2	The Youth of Bavians are actively integrated into and contribute to community development.
Objective 2.3	Development of People in the Bavians area.
Objective 2.4	Improve community access to a comprehensive health care service
Objective 2.5	Animal Health
Objective 2.6	SAPD fulfil their mandated role and responsibility in the community
Objective 2.7	Communities have easier access to social services
Objective 2.8	Moral regeneration in Communities

Development Priority 3: Economic Development

The negative impact of the unemployment rate and the low level of monthly income on all spheres of the communities in the area can only be reversed by stimulating the economic growth in the area. The third development priority identified by the municipality is economic development. The priority with its relevant objectives is listed below.

Development Priority 3 – Economic Development – KPA 3

DEVELOPMENT PRIORITY 3 ECONOMIC DEVELOPMENT	
Objective 3.1	Rural Development
Objective 3.2	SMME's are provided with mandated municipal support that facilitates their growth and success.
Objective 3.3	Promote Local Economic Development
Objective 3.4	Address high unemployment rate
Objective 3.5	A pleasurable tourist experience.
Objective 3.6	Agricultural Related Development
Objective 3.7	Training & empowerment programs

Development Priority 4: Provision of Basic Infrastructure

Infrastructure development and maintenance is vital to the existence and development of a municipality. Infrastructure also facilitates economic growth in an area.

In addition, municipalities are constitutionally mandated to provide in the basic needs of communities. The fourth development priority with its relevant objectives is reflected below.

Development Priority 4: Provision of basic infrastructure – KPA 2

DEVELOPMENT PRIORITY 4: PROVISION OF BASIC INFRASTRUCTURE	
Objective 4.1	Supply sustainable basic infrastructure to all inhabitants of Bavians: Water
Objective 4.2	Supply sustainable basic infrastructure to all inhabitants of Bavians: Roads – rural areas
Objective 4.3	Supply sustainable basic infrastructure to all inhabitants of Bavians: Refuse Removal & Management of Dumping Sites
Objective 4.4	Supply sustainable basic infrastructure to all inhabitants of Bavians: Sanitation
Objective 4.5	Supply sustainable basic infrastructure to all inhabitants of Bavians: Housing
Objective 4.6	Supply sustainable basic infrastructure to all inhabitants of Bavians: Electricity
Objective 4.7	Supply sustainable basic infrastructure to all inhabitants of Bavians: Streets & Storm water

DEVELOPMENT PRIORITY 4: PROVISION OF BASIC INFRASTRUCTURE	
Objective 4.8	Supply sustainable basic infrastructure to all inhabitants of Bavians: Municipal assets
Objective 4.9	Supply sustainable basic infrastructure to all inhabitants of Bavians: TV
Objective 4.10	Supply sustainable basic infrastructure to all inhabitants of Bavians: Fire Function
Objective 4.11	Supply sustainable basic infrastructure to all inhabitants of Bavians: Repair & Maintenance

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3. MEASURES TAKEN TO IMPROVE PERFORMANCE

3.1 REPORT OF THE MUNICIPAL MANAGER



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local municipality
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**DEPARTMENT
COMMUNITY
SERVICES**

To: MUNICIPAL MANAGER

From: M E DE BEER - OFFICIAL FOR PERFORMANCE MANAGEMENT
Date: 30 June 2016

Re: UNDER-PERFORMANCE AREAS - 15/16

Dear Sir

Herewith a summary of under-performance areas on the SDBIP and KPAs of Sec 56 managers for 15/16.

Objective	Strategy	Performance Indicator	Target for 15/16	Comments by Sec 56 manager	Sec 56 Manager	Comments from Municipal Manager with remedial action
Repair & Maintenance	Effective management system to ensure proper maintenance of all municipal assets	Develop action plan for the maintenance of all municipal assets	Table action plan on a quarterly basis to council	Due to the yearlong strike by almost all workers in technical department limited maintenance could take place	Technical Services	Challenges: i) Workers on strike ii) Pressure on cash flow
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service	Improve revenue collection	90% payment rate. Payment rate (total money received from debtors over accounts sent out) by 30 June 2016	Increase payment rate by 30 June 2016	87.8% payment rate. Debtors handed over for legal action and debt recovery	Acting CFO	Debtors handed over for legal action and debt recovery. Strike had influence on debtors collection
		Effective control over collection of property rates by 30 June 2016	Ensure 90% recovery of property rates by 30 June 2016	Actual rate 89.8% Farmers handed over to debt collection company.	CFO	. Farmers handed over to debt collection company
	Improve customer care:	Ensure effective customer care	No more than 5% un-addressed complains	Complaints higher than 5% due to lack of stock to fix geysers.	Comm Serv	Outstanding complaints due to workers on strike since June 2015. Could not

Objective	Strategy	Performance Indicator	Target for 15/16	Comments by Sec 56 manager	Sec 56 Manager	Comments from Municipal Manager with remedial action
	Control com-plaints	in all areas by 30 June 2016	on a quarterly basis	Outstanding geyser complaints 17%		manage to get rid of backlog.
Working towards the creation of a stable capacitated personnel corps geared to increased service delivery and good performance in service delivery	Performance management	Quarterly evaluation lower level staff to ensure more effective staff	All lower level staff must be evaluated on a quarterly basis	Most staff evaluated except some of the employees in the technical services department. A challenge with the automated system, job descriptions and the fact that some employees was on strike.	All	Still a challenge to do electronic evaluations on automated system. (Technical Services Dept). Workers on strike contributed to fact that all workers could not be evaluated on a quarterly basis
	Customer care survey	Customer care survey done internally and externally by 30 June 2016	Source for funding to do customer care survey in all four ward by 30 June 2016	Funding required from COGTA. No funding received	Comm Serv	No funding availed by COGTA to execute action
	Local Labour Forum	Effective monthly Local Labour Forum meetings	Arrange monthly LLF meetings	Only three LLF meetings during 15/16. SAMWU representatives were on strike and did not attend meetings	Corp Serv	No quorum could be obtained to continue with LLF meetings. (SAMWU strike)
	Improve control of municipal assets	Ensure that contracts for the use of municipal property (including commonages) are in place by 30 June 2016	Compile a lease register with a list of all signed lease agreements by 30 June 2016	Problem with commonage users in Rietbron and Willowmore to sign agreements	Corp Serv	No cooperation from certain commonage users to sign agreements
	Effective customised organisational structure with trained and skilled personnel	Number of senior managers to benefit from training: Certificate in Municipal	Train at least two senior managers before 30 June 2016	One manager attend training but was withdrawn due to challenges related to strike	Corp Serv	Technical Services manager attending training but had to stop due to challenges related to striking workers

Objective	Strategy	Performance Indicator	Target for 15/16	Comments by Sec 56 manager	Sec 56 Manager	Comments from Municipal Manager with remedial action
		Finance Management				

JZA VUMAZONKE

MUNICIPAL MANAGER

DRAFT

3.2 PERFORMANCE EVALUATIONS OF MUNICIPAL MANAGER

PERFORMANCE PLAN - J Z A VUMAZONKE (MUNICIPAL MANAGER)

2015/16

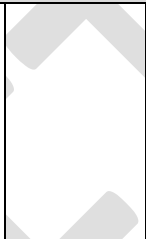
4th Quarter

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
		Indicator					Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT										
Supply sustainable basic infrastructure to all inhabitants of Baviaans: <i>Water</i>	Sustainable water supply	Upgrading of bulk water supply to Steytlerville by 30 June 2016 via the Erasmuskloof Project	100% of RBIG allocation spend by 30 June 2016	Ward 2	500780161	*Budget revised R23 691 228	Target: Spend R14 284 788.58 on Phase 4 water treatment Actual: R17 310 350 spend. Phase 4 Water treatment component completed	Target: Spend R5 697 667.56 Actual: R2 588 391.00 Reason: Overspending of target 1st Q reason not obtaining target in second target.	Target: Spend R901 754.39 Actual: 100% spend	Target: Project 100% completed Actual: Project completed
		Wanhoop Bulk water supply: Feasibility study by 30 June 2016	Execute feasibility study for bulk water supply to Wanhoop by 30 June 2016	Ward 1	500780151	R219 298.25 (Excluding VAT)	Target: Spend R87 719.30 Start with SCM process. Actual: R0 spend SCM Process completed Reason: Waiting for consultant to be appointed	Target: Spend R131 578.95 Actual: R0 spent Reason: Late appointment of consultant due to SCM problems Remedial Action: Consultant appointed in October 15. No claims until end Dec 15.	Target: Project 100% completed Actual: Project completed	Target: Project 100% completed Actual: Project completed
	Maintain & Repair all assets of Baviaans Municipality : <i>Water</i>	Water meters of RDP houses in Rietbron to be replaced by 30 June 2016.	Replace 420 water meters at RDP houses in Rietbron by 30 June 2016	Ward 4	10050339	R1 592 985.45 - Amount revised- Additional funding received.	Target: Spend R1 166 666.67 Actual: R334 957.20 spent. 300 meters installed	Target: Spend R426 318.78 Actual: R889 858.26 (208.7% over spend on target for the quarter)	Project to be 100 % completed	Project completed
Supply sustainable basic infrastructure to all inhabitants of Baviaans: <i>Municipal Assets</i>	Upgrade municipal assets	Upgrading of sports ground facilities in Rietbron by 30 June 2016	100% of grant funding spend by 30 June 2016	Ward 4	510500131	R1 167 105.00 (excluding VAT)	Target: Spend R250 000.00. Appoint consultant Actual: R42 283.76 Consultant appointed	Target: Spend R458 552.50 Actual: R410 023.71 (89.4% of target spend)	Target: Spend R458 552.50 Actual: 100% completed	Target: Project 100% completed Actual: Project completed

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding		Performance Milestones		
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT										
Supply sustainable basic infrastructure to all inhabitants of Baviaans: <i>Streets & Storm Water</i>	Improve conditions of internal streets and roads in Willowmore & Steytleville	Quality streets and storm water drainage in Willowmore & Steytleville upgraded by 30 June 2016.	1 km of road completed by 30 June 2016	Wards 2 & 3	Willowmore: 510500081 Steytleville: 510500071	Budget: R3 510 964.92 Willowmore: R1755 482.46 Steytleville: R1 755 482.46	Target: Willowmore: R114 035.08 Steytleville: R114 035.08 Actual: WM spent R 284 985.90 / SV R285 682-97. Spend on preliminary and general contractors and consultancy fees.	Target: Willowmore: R1 184 210.53 Steytleville: R1 184 210.53 Actual: WM R1 038 482.25 SV R1 034 588.25 (87.7% of target spend for WM & 87, 4% of target spent for SV) Over 6 months period more spend than anticipated.	Target: Willowmore: R457 236.85 Steytleville: R457 236.85 Actual: Project completed	Target: Project 100% completed Actual: Project completed
KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT										
Supply sustainable basic infrastructure to all inhabitants of Baviaans: <i>Sanitation</i>	Provide sanitation of an acceptable standard to all communities	Manenza Square- Rietbron- Upgrading of internal sewer and replace digesters-Phase 2	100% of grant funding spent by 30 June 2016	Ward 4	500780171	R1 929 825	Target: Spend R 1,403,508-77 Actual: R1 257 174-82 Replace existing small bore sewerage and digesters with water borne sewerage, new manholes and house connections.	Target: Spend R 526 315.79 Actual: R701 273.38 (133% of target for 2nd Q) Target reached for six months period	Target: Completed project Actual: 100% completed	Target: Completed project Actual: 100% completed
Supply sustainable basic infrastructure to all inhabitants of Baviaans: <i>Electricity</i>	Electricity supply to all inhabitants of the Baviaans	Install high mast light in Rietbron by 30 June 2016	Do one electricity connection for high mast light in Rietbron by 30 June 2016	4	500740031	R175 439	Target: Install high mast light in Rietbron with electricity connection Actual: R25 150.00 Eskom electricity supply connection. Project completed	Target: Connect electricity supply Actual: R174 850 - Project completed.	Target: Project completed Actual: 100% completed	Target: Project completed Actual 100% completed

OPERATIONAL PROJECTS
INFRASTRUCTURE DEVELOPMENT

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT										
Repair & Maintenance	Maintain & Repair all assets of Baviaans Municipality: <i>Vehicles</i>	Effective vehicle management system implemented by 30 June 2016	Develop an action plan for the maintenance and service of all municipal vehicles by 30 June 2016	Ward 2,3,4	10050339	*R498 000	Target: Table Quarterly Action Plan on maintenance of vehicles to Council Actual: R0 spent in 1st quarter Reason: Spread sheet developed with list of all vehicles to be maintained	Target: Table Quarterly Action Plan on maintenance of vehicles to Council - Spent R120 000 in 2nd quarter Actual: Vehicle on lease agreement are maintained according to our agreement with ABSA. The remaining vehicles is checked by the vehicle examiner when it is due for service	Target: Table Quarterly Action Plan on maintenance of vehicles to Council - Spend R169 663 in 3rd quarter Actual: Vehicle on lease agreement are maintained according to our agreement with ABSA. The remaining vehicles is checked by the vehicle examiner when it is due for service	Target: Table Quarterly Action Plan on maintenance of vehicles to Council - spend R0 in 4th quarter Actual: Vehicle on lease agreement are maintained according to our agreement with ABSA. The remaining vehicles is checked by the vehicle examiner when it is due for service
	Maintain & Repair all assets of Baviaans Municipality: Other Assets	Effective management system implemented to ensure proper maintenance of all municipal assets : Sanitation, Electricity, Water, Building, Parks, Streets, TV, Tools, Equipment, Signs, Grounds & Fencing by 30 June 2016		All		R742 857	Target: Table Quarterly Action Plan on maintenance to Council Actual: R0 spent in 1st quarter Reason: Spread sheet developed with list of all vehicles to be maintained	Target: Table Quarterly Action Plan on maintenance Council - Spent R 669 604 in 2nd quarter Actual: Reason: Remedial Action:	Target: Table Quarterly Action Plan on maintenance to Council - Spend in R334 802 3rd quarter Actual: Reason: Remedial Action:	Target: Table Quarterly Action Plan on maintenance to Council - spend R334 802 in 4th quarter Actual: Reason: Remedial Action:

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding		Performance Milestones		
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT										
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service.	Encourage efficient use of municipal assets	Vehicle Testing Centre in Willowmore to comply with legal requirements by 30 June 2016	Ensure that prescribed recommendations by EC DOT are implemented by 30 June 2016	Ward 1				Target: Fill vacancies Actual: Vehicle examiner appointed, cashier interviews on 6/11/15. Appointment from 1/12/15	Target: Fill vacancies Actual: One cashier has been appointed & the advert has been placed for the examiner. Ad for examiner closed 7/1/16. 2 applications received.	Target: Fill vacancies Actual: One cashier has been appointed & the advert has been placed for the examiner. Ad for examiner closed 7/1/16. 2 applications received.
Supply sustainable basic infrastructure to all inhabitants of Baviaans: <i>Electricity</i>	Electricity supply to all inhabitants of the Baviaans	Bulk electricity Supply: Willowmore 30 June 2016	Upgrade bulk electricity supply for Willowmore by 30 June 2016	Ward 1/3		R2 631 580 (excl VAT)			Target: Upgrade electricity supply in Willowmore	Target: Upgrade electricity supply in Willowmore Actual: Consultant appointed
KEY PERFORMANCE AREA 4: FINANCIAL VIABILITY										
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service.	Improve financial systems and controls	Ensure an effective GRAP compliant Asset Register implemented by 30 June 2016	A complete and up to date GRAP compliant Asset Register implemented by 30 June 2016	1,2,3,4		No Budget	Target: Asset Register reconcile to General Ledger Actual: Done	Target: Asset Register reconcile to General Ledger Actual: Done	Target: Asset Register reconcile to General Ledger Actual: Done	Target: Asset Register reconcile to General Ledger Actual: Done
	Adhere to requirements of reporting to National Treasury within required timeframes by 30 June 2016	All reporting in terms of NT requirements are executed within the required timeframes until 30 June 2016	1,2,3,4		No Budget	Target: 3 x Sec 71 reports, 1 x Sec 52 report, quarterly reports as required submitted on time Actual: Done - all returns submitted	Target: 3 x Sec 71 reports, 1 x Sec 52 report, quarterly reports as required submitted on time Actual: Done - all returns submitted	Target: 3 x Sec 71 reports, 1 x Sec 52 report, quarterly reports as required and 1 Ad Budget & Source of Funding submitted on time Actual: Done - all returns submitted	Target: 3 x Sec 71 reports, 1 x Sec 52 report, quarterly reports as required, 1 x draft Budget & Source of Funding and 1 x final Budget & Source of Funding submitted on time Actual: Done - all returns submitted	Adhere to requirements of reporting to National Treasury within required timeframes by 30 June 2016

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 4: FINANCIAL VIABILITY										
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service.		Implement National treasury Regulations MFMA Circular No 68 - fruitless, irregular and wasteful expenditure by 30 June 2016	Adhere to all procedures in terms of NT circular 68 until 30 June 2015	1,2,3,4		No Budget	Target: Quarterly report on fruitless, wasteful or unauthorized expenditure to Council for resolution Actual: Reported as required	Target: Quarterly report on fruitless, wasteful or unauthorized expenditure to Council for decision making Actual: Reported as required	Target: Quarterly report on fruitless, wasteful or unauthorized expenditure to Council for decision making Actual: Reported as required	Target: Quarterly report on fruitless, wasteful or unauthorized expenditure to Council for decision making Actual: Reported as required
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service.	Improve financial systems and controls	Improve Financial info Systems (IT) by 30 June 2016	Upgrade of IT servers in preparation for SCOA by 30 June 2016	1,2,3,4	10008220	MSIG :R555 000	Target: Needs analysis and Tender specification Actual: Needs analysis done	Target: Upgrade of servers completed Actual: Needs analysis indicates that changes should be made to the KPI. Reason: mSCOA implementation postponed at Baviaans. More urgent computer needs were identified Remedial Action: Adjustment Budget will follow	Adjustments made in adjustment budget as MSCOA will not be implemented by Baviaans Municipality. Funds still earmarked for improvements in financial systems. Specifications obtained	MSCOA implementation postponed at Baviaans. Merge new municipality
		Execute Free Basic Services Policy: Annual update of indigents for 2015/16 recorded by 31 July 2015 and monthly updates there after	All approved indigents for 2015/16 updated by 31 July 2015 and monthly thereafter	Budget and treasury office		No budget	Target: Approved list of indigents for 2014/15 recorded and implemented by 31 July 2014 and thereafter each month Actual: Done	Target: 3 x monthly updates of indigents approved by council and implemented Actual: Done	Target: 3 x monthly updates of indigents approved by council and implemented Actual: Done	Target: 3 x monthly updates of indigents approved by council and implemented Actual: Done

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding		Performance Milestones		
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 4: FINANCIAL VIABILITY										
		Increase payment rate by 30 June 2016	Average 90% payment rate (total revenue received from debtors iro accounts billed) by 30 June 2016	1,2,3,4		No Budget	Target: average payment rate 70% Actual: 64% Reason: Delay in payment of Government Departments Remedial Action: Better communication with Government Departments	Target: Average payment rated 85% Actual: 70% Reason: Effect early billing in December and no disconnections implemented in Dec 15. Remedial Action: Disconnections and blocking of electricity services on 25/1/2016	Target: Average payment rate 95% Actual: 101.81%	Target: Average payment rate 100% Actual: 87.8% Ongoing labour unrest affected payment rates throughout the quarter
		Effective control over collection of property rates by 30 June 2016	Ensure average 90% recovery rate of property rates billed by 30 June 2016	1,2,3,4		No Budget	Target: Average payment rate 50% Actual: 37% Reason: Rates raised annually, payable monthly Remedial Action: Further engagement with REVCO re rates that were due annually	Target: Average payment rate 65% Actual: 56% Reason: Rates are raised annually, Payable monthly. Remedial Action: Further engagement with REVCO re rates that were due annually	Target: Average payment rate 80% Actual: 68%	Target: Average payment rate 100% Actual: 89.8%

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 4: FINANCIAL VIABILITY										
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service.	Improve revenue collection	Increase additional municipal revenue to 100% by 30 June 2016	Ensure 100% receipt of all government subsidies and grants as gazetted within timeframes by 30 June 2016	1,2,3,4		No Budget	Target: 100% of all grants as per payment schedule received Actual: Grants received as per payment schedule	Target: 100% of all grants as per payment schedule received Actual: Grants received as per payment schedule	Target: 100% of all grants as per payment schedule received Actual: Grants received as per payment schedule	Target: 100% of all grants as per payment schedule received Actual: Grants received as per payment schedule
	Keep expenditure under control	Ensure effective spending of municipal funds : no overspending until 30 June 2016	No over spending of the approved Budget & Sources of Funding by 30 June 2016	1,2,3,4		No Budget	Target: No overspending Actual: No overspending on total budget	Target: No overspending Actual: No overspending on budget	Target: No overspending Actual: No overspending on budget	Target: No overspending Actual: No overspending on budget
		Prepare quarterly Supply Chain Management Reports until 30 June 2016	Table quarterly reports to Council until 30 June 2016	1,2,3,4		No Budget	Target: Quarterly SCM reports to Council Actual: Done	Target: Quarterly SCM reports to Council Actual: Done	Target: Quarterly SCM reports to Council Actual: Done	Target: Quarterly SCM reports to Council Actual: Done
	Effective implementation of Internship programme in Finance Department by 30 June 2016	Ensure that five interns at all times employed Finance Department by 30 June 2016	Fill any vacancies of interns within 3 months		10008082	R300 000 - FMG funds	Target: Ensure that 5 interns are appointed Actual: 3 interns as at 30 September 2015 Reason: Resignations Remedial Action Advertisement to be placed in local newspaper to expedite recruitment	Target: Ensure that 5 interns are appointed Actual: Two interns at 21/12/15. Reason: Resignations and disciplinary action taken Remedial Action: Retention of current interns to be made a priority	Target: Ensure that 5 interns are appointed Actual: Two interns Reason: No appointments allowed due to merge	Target: Ensure that 5 interns are appointed Actual: Two interns. Reason: Resignations and disciplinary action taken - moratorium placed on further appointments as per S32 notice.

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION										
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service.	Improve status of Audit Report	Improve outcome of Audit Report: Execute Audit Action Plan to address previous audit findings by 31 December 2016	At least an unqualified Audit Report for 2015/2016			No Budget	Target: One MPAC meeting in 1st Q - table minutes to council Actual: Meeting held on 29/9/15	Target: One MPAC meeting in 2ndt Q - table minutes to council Actual: Had meeting on 3 December 2015. Minutes to council on 8/12/15	Target: One MPAC meeting in 3rd Q - table minutes to council Actual: 10 March 2016	Target: One MPAC meeting in 4th Q - table minutes to council Actual: No meeting in 4th quarter. Reason: No issues referred by council
	Oversight (MPAC)	Quarterly MPAC meetings to assist with oversight function until 30 June 2016	Arrange quarterly MPAC meetings until 30 June 2016			No Budget	Target: One Audit Committee meeting in 1st Q Actual: Meeting held on 14/8/15- minutes tabled to council	Target: One Audit Committee meeting in 2nd Q Actual: One meeting held - 21/10/15 - minutes tabled to council	Target: One Audit Committee meeting in 3rd Q Actual: Meeting on 10 March 2016. Minutes tabled to council	Target: One Audit Committee meeting in 4th Q Actual: Meeting 14 May 2016
	Audit Committee	Quarterly Audit Committee meetings to assist with oversight function until 30 June 2016	Arrange quarterly Audit Committee meetings until 30 June 2016				Target: One Audit Committee meeting in 1st Q Actual: Meeting held on 14/8/15- minutes tabled to council	Target: One Audit Committee meeting in 2nd Q Actual: One meeting held - 21/10/15 - minutes tabled to council	Target: One Audit Committee meeting in 3rd Q Actual: Meeting on 10 March 2016. Minutes tabled to council	Target: One Audit Committee meeting in 4th Q Actual: No meeting in 4th quarter
	Sound corporate administration	Execute council resolutions end of each quarter	Keep register of council resolutions to be executed on a quarterly basis			No Budget	Target: Table report on updated council resolution register to council Actual: Register updated for 1st Q & tabled to council.	Target: Table report on updated council resolution register to council Actual: Updated register tabled to council in 2nd Q	Target: Table report on updated council resolution register to council Actual: Register tabled to council	Target: Table report on updated council resolution register to council Actual: Register tabled to council

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION										
	Ensure effective Archive System	All documents filed according to prescribed regulations	Compliant filing system by 30 June 2016				Targets: File all council resolutions according to registry procedure Actual: Outstanding due to reference numbers on agenda items missing & shortage of staff (according to registry procedure)	Targets: File all council resolutions according to registry procedure Actual: Outstanding. Reason: (i) No response from Cogta about electronic system (ii) Need additional Archive Official as stipulated in Archive manual	Targets: File all council resolutions according to registry procedure Actual: Outstanding. Reason: (i) No response from Cogta about electronic system (ii) Need additional Archive Official as stipulated in Archive manual	Targets: File all council resolutions according to registry procedure Actual: Outstanding. Reason: (i) No response from Cogta about electronic system (ii) Need additional Archive Official as stipulated in Archive manual
Working towards the creation of a stable, capacitated personnel-corps geared to increased service delivery and good performance in service delivery	Improve customer care: control complaints	Ensure effective customer care in all areas by 30 June 2016.	No more than 5% un-addressed complaints on a quarterly basis until 30 June 2016			No Budget	Target: Ensure <5% outstanding complaints. Table Help Desk reports to council Actual: 24%: 13% normal complaints 11 geyser complaints Reason: Strike by technical services workers as from 3 July until 12 August 15. No attention given to complaints.	Target: Ensure <5% outstanding complaints. Table Help Desk reports to council Actual: 5% unaddressed complaints (excluding geyser complaints)	Target: Ensure <5% outstanding complaints. Table Help Desk reports to council Actual: 32% Reason: During SAMWU strike no workers available to attend to complaints	Target: Ensure <5% outstanding complaints. Table Help Desk reports to council Actual: 17% Reason: During SAMWU strike no workers available to attend to complaints
	Performance management	Customer care survey done internally or externally by 30 June 2016	Source funds from COGTA to do customer care survey in all four wards by 30 June 2016			No budget	Target: Source funds from: COGTA Actual: Had meeting with Mr Mini (COGTA). He mentioned that no funding would be made available.	Target: Source funds from: COGTA Actual: Prepare documents to do own customer care survey in 3rd Q Reason: No funding available for COGTA	Target: Source funds from: COGTA Actual: Prepare documents to do own customer care survey in 3rd Q Reason: No funding available for COGTA	Target: Source funds from: COGTA Actual: Prepare documents to do own customer care survey in 3rd Q Reason: No funding available for COGTA

Objective	Strategy	Key perf.	Annual target	Ward No	Vote No	Budget & Source of Funding		Performance Milestones		
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION										
Working towards the creation of a stable, capacitated personnel-corps geared to increased service delivery and good performance in service delivery		Quarterly evaluation of lower level staff on an automated evaluation system to ensure more effective staff by 30 June 2016	All lower level staff must be evaluated on a quarterly basis on an automated evaluation system.			No Budget	Target: Ensure quarterly evaluations of lower level staff. Table a report every quarter to Council with a summary of lower staff evaluations. Actual: Evaluations done except Technical dept - report on 26/11/15.	Target: Ensure quarterly evaluations of lower level staff. Table a report every quarter to Council with a summary of lower staff evaluations. Actual: 80% of all staff evaluated - including Technical Services	Target: Ensure quarterly evaluations of lower level staff. Table a report every quarter to Council with a summary of lower staff evaluations. Actual: 80% of all staff evaluated - including Technical Services	Target: Ensure quarterly evaluations of lower level staff. Table a report every quarter to Council with a summary of lower staff evaluations. Actual: 80% of all staff evaluated - including Technical Services
	Local Labour Forum	Effective monthly Local Labour Forum meetings	Arrange monthly Local Labour Forum meetings			No Budget	Target: Ensure that monthly local labour forums are taking place Actual: Meetings held ; 9/9/15; 16/9/15 ; - minutes tabled to council	Target: Ensure that monthly local labour forums are taking place Actual: Meetings held 5/10/15 ; - minutes tabled to council	Target: Ensure that monthly local labour forums are taking place Actual: Meeting organised. No meeting took place Reason: No quorum due to labour issues	Target: Ensure that monthly local labour forums are taking place Actual: No LLF Reason: Union related labour issues
	Improve internal and external control and communication by 30 June 2015	Execute Communication Action Plan by end of each quarter	Improve internal communication		1008220		Target: Execute Communication Action Plan with specific reference to internal communication. POE quarterly report to Council Actual: Action Plan updated and tabled to council on 26/11/15.	Target: Execute Communication Action Plan with specific reference to internal communication. POE quarterly report to Council Actual: Action plan updated and will be tabled at next council meeting	Target: Execute Communication Action Plan with specific reference to internal communication. POE quarterly report to Council Actual: Action Plan updated and tabled to council	Target: Execute Communication Action Plan with specific reference to internal communication. POE quarterly report to Council Actual: Action Plan updated and tabled to council

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION										
Working towards the creation of a stable, capacitated personnel-corps geared to increased service delivery and good performance in service delivery	Community participation structures to help identify community needs	Quarterly Ward Committee meetings until 30 June 2016	Organise meetings with ward committee members in all four wards until 30 June 2016	Ward 1,2,3,4	10008220	R75 000	Target: Ensure that ward committee meetings take place - table minutes to council Actual: Meetings held - minutes tabled to council	Target: Ensure that ward committee meetings take place - table minutes to council Actual: Minutes held - minutes tabled to council	Target: Ensure that ward committee meetings take place - table minutes to council Actual: Minutes held - minutes tabled to council	Target: Ensure that ward committee meetings take place - table minutes to council Actual: Meetings held to implement CWP Programme. Minutes available
Proud citizens that contribute to the develop-ment of their town/s	Better educated communities	Equip libraries with books & other necessities by 30 June 2016	Audit library needs and develop business plan before 31/12/15	Ward 1,2,3,4	10038056	R100 000 BM	Target: Table business plan on library needs to Council Actual: Documents send to DSRAC for payment	Target: Quarterly report to Council on purchases made Actual: Funding not received from DSRAC. Remedial Action: MM did letter to DSRAC	Target: Quarterly report to council on purchases made Actual: No purchased in 3rd quarter Reason: Received funding end March 2016	Target: Quarterly report to council on purchases made Actual: Orders placed

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 1: MUNICIPAL INSTITUTIONAL DEVELOPMENT & TRANSFORMATION										
A well-established municipality with sufficient resources and institutional capacity to deliver an excellent municipal service	Improve control of municipal assets	Ensure that contracts for the use of municipal property (including commonages) are in place by 30 June 2016	Compile a Lease Register with a list of all signed lease agreements by 30 June 2016			No budget	Target: Table list of all lease agreements on municipal property to council once a quarter Actual: Not tabled to council Reason: List is updated. Problem with Wm & RB commonages	Target: Table list of all lease agreements on municipal property to council once a quarter Actual: Not tabled to council Reason: List is updated. Problem with Wm & RB commonages	Target: Table list of all lease agreements on municipal property to council once a quarter Actual: Not tabled to council Reason: List is updated. Problem with Wm & RB commonages	Target: Table list of all lease agreements on municipal property to council once a quarter Actual: Not tabled to council Reason: List is updated. Problem with Wm & RB commonages
Striving towards the creation of a stable and capacitated personnel corps to improve service delivery and good performance in service delivery	An effective customized organizational structure with trained and skilled personnel	Number of personnel that benefits from municipal training programmes (Work Skills Plan) by 30 June 2016	Train at least 10 personnel members for 15/16 to benefit from Work Skills Plan by 30 June 2016		10006050	R22 650	Target: Table a report to Council with a list of the names of personnel who were trained during the quarter. Actual: Not done Reason: No members on training	Target: Table a report to Council with a list of the names of personnel who were trained during the quarter. Actual: List tabled to council on 8/12/15	Target: Table a report to Council with a list of the names of personnel who were trained during the quarter. Actual: Report tabled to council	Target: Table a report to Council with a list of the names of personnel who were trained during the quarter. Actual: Completed
		Number of senior managers that benefits from training: Certificate in Municipal Finance Management	Train at least two senior managers before 30 June 2016		10008082	R100 000	Target: Table report to Council on progress made by two senior managers benefitting from training in Certificate in Municipal Finance Management Actual: No report for 1st Q	Target: Table report to Council on progress made by two senior managers benefitting from training in Certificate in Municipal Finance Management Actual: No report for 2nd quarter	Target: Table report to Council on progress made by two senior managers benefitting from training in Certificate in Municipal Finance Management Actual: None Reason: Due to continuous strike action Remedial Action: Strike ended end May 2016	Target: Table report to Council on progress made by two senior managers benefitting from training in Certificate in Municipal Finance Management Actual: None
		Execute Employment Equity Plan by the end of each quarter for the year ending 30 June 2016	Review & execute the Employment Equity Plan by 30 June 2016				Target: Review Employment Equity Action Plan with comments - table reviewed plan to council Actual: Started with fieldwork to gather information. EEP will be finalised before deadline in Jan 16.	Target: Table Employment Equity Action Plan with comments to Council Actual: Reviewed EEP completed and submitted to Dept of Labour before deadline 15/1/16. Thereafter it will be tabled to council	Target: Table Employment Equity Action Plan with comments to Council Actual: Not done Reason: EEP will change after merge of the three municipalities on 3/8/16	Target: Table Employment Equity Action Plan with comments to Council Actual: Not done Reason: EEP will change after merge of the three municipalities on 3/8/16

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 1: MUNICIPAL INSTITUTIONAL DEVELOPMENT & TRANSFORMATION										
Striving towards the creation of a stable and capacitated personnel corps to improve service delivery and good performance in service delivery	Compliant HR administrative system	Employment files to adhere to all legal requirements by 30 June 2016	Contents of all personnel files (including job descriptions) adhere to all required compliance by 30 June 2016			No budget	Target: Ensure compliance to regulations - personnel files. Actual: Compliant with all new files	Target: Ensure compliance to regulations - personnel files. Actual: All files related to new appointments are complaint. Job evaluation Unit has been established. Working session on 29/1/16 (SBDM)	Target: Ensure compliance to regulations - personnel files. Actual: All files related to new appointments are complaint. Job evaluation Unit has been established.	Target: Ensure compliance to regulations - personnel files. Actual: All files related to new appointments are complaint. Job evaluation Unit has been established.
	Compliant HR administrative system	Cost effective & disciplined staff by 30 June 2016	Record keeping of all disciplinary hearings on a quarterly basis by 30 June 2016			No budget	Target: Keep record of disciplinary hearings and table quarterly report to council Actual: No hearings in 1st Q	Target: Keep record of disciplinary hearings and table quarterly report to council Actual: No hearings for 2nd quarter. Presiding Officer will be appointed in Jan 16 for to outstanding hearings.	Target: Keep record of disciplinary hearings and table quarterly report to council Actual: No hearings in 3rd quarter	Target: Keep record of disciplinary hearings and table quarterly report to council Actual: One Hearing in July 2017

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 3 LOCAL ECONOMIC DEVELOPMENT										
The youth of Baviaans are actively integrated and contribute to community development	Promote self-development	Number of individuals that will benefit from computer training courses by 30 June 2016	Train at least 60 students to benefit from basic computer training courses by 30 June 2016	Ward 1,2,3,4	10012116	R26 450 BM	Target: Train at least 15 people. Table quarterly report to Council on number of students trained Actual: 30 students current busy with training	Target: Train at least 15 people. Table quarterly report to Council on number of students trained Actual: 15 people trained - report to next council meeting Remedial Action:	Target: Train at least 15 people. Table quarterly report to Council on number of students trained Actual: 15 people trained	Target: Train at least 15 people. Table quarterly report to Council on number of students trained Actual: 25 people trained
SMME's are provided with mandated municipal support that facilitates their growth and success	Promote opportunity for local job creation (SMME development)	Business plan for development of Rietbron crafters by 30 June 2016	Implement business plan by 30 June 2016	Ward 2	10011046	R132 000 SBDM	Target: Prepare report on progress made and expenditure on project- Table quarterly report to Council Actual: Business plan Developed - Report tabled to council	Target: Prepare report on progress made and expenditure on project- Table quarterly report to Council Actual: Meeting held in Rietbron Crafters in 2nd quarter. SCM process will follow. Reason: Funding only received from SBDM at the end of October 2015.	Target: Prepare report on progress made and expenditure on project- Table quarterly report to Council Actual: Consultant appointed	Target: Prepare report on progress made and expenditure on project- Table quarterly report to Council Actual: Project completed
A pleasurable tourist experience	Promote local tourism	Execution of Tourism Plan & annual review of the Plan by 30 June 2016	Quarterly monitoring by Council on the implementation of the Tourism Action Plan until 30 June 2016.	Ward 1,2,3,4	Website 10011040; W/Shops 10011038; Road signs 10011039; Sundries: 10011037; Marketing 10011041; Product Dev 10011044	R153 410 BM	Target: Execute Tourism Action Plan - Report to Council for oversight Actual: Report tabled to council 26/11/15	Target: Execute Tourism Action Plan - Report to Council for oversight Actual: Tourism Plan Executed - table report to council.	Target: Execute Tourism Action Plan - Report to Council for oversight Actual: Tourism Plan Executed - table report to council.	Target: Execute Tourism Action Plan - Report to Council for oversight Actual: Tourism Plan Executed - table report to council.
Enhance Local Economic Development in Baviaans	Promote Local Economic Development	Execution of LED Plan & annual review of the Plan by 30 June 2016	Quarterly monitoring by Council on the implementation of the LED Action Plan by 30 June 2016.	Ward 1,2,3,4	10013059	R26 450 BM	Target: Execute LED Action Plan - Report to Council for oversight Actual: Report tabled to council 26/11/15	Target: Execute LED Action Plan - Report to Council for oversight Actual: LED Action Plan Executed - report to council	Target: Execute LED Action Plan - Report to Council for oversight Actual: LED Plan Executed - table report to council.	Target: Execute LED Action Plan - Report to Council for oversight Actual: LED Plan Executed - table report to council.

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 3 LOCAL ECONOMIC DEVELOPMENT										
		Establish a recycling project in Willowmore by 30 June 2016	Quarterly monitoring reports to Council on progress made with the recycling project in Willowmore. Project must be completed by 30 June 2016	Ward 3	500130021	R389 035 MIG (Excluding VAT)	Target: Follow SCM process - Table quarterly report to Council on progress and expenditure Actual: SCM process completed.	Target: Develop progress report on work done by contractor - Table report to Council Actual: Contractor appointed. Busy on site with erection of buildings. Reason: Remedial Action:	Target: Table quarterly report to Council on progress and expenditure Actual: Project completed.	Target: Table quarterly report to Council on progress and expenditure Actual: Project completed. 100% budget spent
		Establish a LED/SMME Centre in Steytlerville By 30 June 2016	Upgrade old Kommarin Building in Steytlerville by 30 June 2016.	Ward 2		R190000 BM & S A Lime	Target: Do SCM process Actual: SCM process not started Reason: Specifications must be done Remedial Action: Specification Committee will sit in 2nd quarter	Target: Do SCM process Actual: SCM process not started Reason: Specification meeting did not take place Remedial Action: Cash flow under pressure. Cannot start with SCM process	Target: Develop progress report and table to council Actual: Could not start with project Reason: No funding	Target: Develop progress report and table to council Actual: Could not start with project Reason: No funding

Objective	Strategy	Key perf. Indicator	Annual target	Ward No	Vote No	Budget & Source of Funding	Performance Milestones			
							Sep-15	Dec-15	Mar-16	Jun-16
KEY PERFORMANCE AREA 3: LOCAL ECONOMIC DEVELOPMENT										
Address high unemployment rate in Baviaans	Job creation / Poverty alleviation	EPWP labour intensive programme to address high unemployment rate by 30 June 2016	Effective implementation of EPWP Labour Incentive Conditional Grant by 30 September 2015	Ward 1,2,3,4	10050301	R1 018 000 DPW	Target: Quarterly reports to Council - employ 62 people per quarter Actual: 62 people employed	Target: Quarterly reports to Council - number of people employed Actual: 62 people employed	Target: Quarterly reports to Council - number of people employed Actual: 62 people employed	Target: Quarterly reports to Council - number of people employed Actual: 62 people employed
		Sakha Sizwe Labour Programme to address the high un-employment rate by 30 June 2016	Implement the Programme & negotiate to increase the number of people on the Sakha Sizwe Programme	Ward 1,2,3,4		DPW	Target: Quarterly reports to Council - employ max of allocated posts for Sakha Sizwe Actual: Rietbron 125; WM 160; Vondeling 17; Miller 4; SV 157. Total Sakha Sizwe employed 463	Target: Quarterly reports to Council - number of people employed Actual: Rietbron 125; WM 160; Vondeling 17; Miller 4; SV 157. Total Sakha Sizwe 463	Target: Quarterly reports to Council - number of people employed Actual: Rietbron 125; WM 160; Vondeling 17; Miller 4; SV 157. Total Sakha Sizwe 463	Target: Quarterly reports to Council - number of people employed Actual: Rietbron 125; WM 160; Vondeling 17; Miller 4; SV 157. Total Sakha Sizwe 463
		To be a co-partner in the Rural Development Plan for Rietbron by 30 June 2016	Annual report to Council on progress made by Dept of Rural Development with the Path out of Poverty Programme by 30 June 2016	Ward 4		No budget	Target: 0	Target: 0	Target: 0	Target: Annual report to Council on progress made. Actual: No feedback from departments. No progress made

3.3 EVALUATION OF EXTERNAL SERVICE PROVIDERS 2015/16

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – LESS R30 000 FOR JULY 2015									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMATION	RATING FROM 1-25	OVERALL COMMENTS	Person Evaluate
15/07/24	Tuinroete Agri	R 16 309.41	Poles Greasote 2.1m and 1.4m, Wire Glad, Wire Steel, Wire Dor Koaro2	15896	2823	10050324	17	Excellent	Mzuku
15/07/27	Zaayman's Garage	L	Quotation for repairs to brakes and handbrake on Isuzu FRR 500 Truck Reg DJR 305 EC	15902	2769	10046339	17	Satisfied	Mzuku
15/07/27	Piet Viljoen Motors	R 11 783.13	Fuel Filter G912, Labour	15903	2822	10050339	16	Good	Reg
Jul-15	African oxygen limited (afrox)	R 10 244.19	Direct payment				17	Excellent	Mzuku
Jul-15	Active phambili civils	R 386 615.84	Direct payment				19	Satisfied	Stephan
Jul-15	Absa fleet management solution	R 100 025.66	Direct payment				16	Good	Mzuku
Jul-15	Anthony management systems	R 35 000.00	Direct payment				19	Excellent	Jane
Jul-15	Bytes universal systems a divi	R 1 276 519.52	Direct payment				11	Not Good	Ursula
Jul-15	Bk O'connell	R 39 000.00	Direct payment				19	Excellent	Jane
Jul-15	Copy X Business Solutions cc	R 53 097.61	Direct payment				15	Satisfied	Ursula
Jul-15	Clinkscale Maughan Brown (pty)	R 67 808.43	Direct payment				19	High Standard	Reg
Jul-15	Zaayman's Garage	R 24 598.75	Direct payment				17	Excellent	Mzuku
Jul-15	Waltons Graaf-Reinet	R 47 085.96	Direct payment				17	Good	Zenobia

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – LESS R30 000 FOR JULY 2015									
DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE
Jul-15	Times media (pty) ltd	R 19 726.56	Direct payment				23	Excellent	Desme
Jul-15	Tsonga and tsonga republic	R 14 000.00	Direct payment				15	Satisfied	Jane
Jul-15	Harold howard and associates	R 13 128.65	Direct payment				19	Satisfied	Nicky
Jul-15	Human & snell contracting and	R 15 390.00	Direct payment				16	Good Standard	Mzuku
Jul-15	Hemsley and mydral land survey	R 25 286.34	Direct payment				16	Good Standard	Mzuku
Jul-15	Kgl technologies	R 18 150.00	Direct payment				15	Satisfied	Ursula
Jul-15	Departement van vervoer	R 229 361.22	Direct payment				17	Excellent	Heleen
Jul-15	De Jagers Loodgieter Kontrakteers	R451 267.33	Direct payment				17	Can Improve	Stephan
Jul-15	MDL Electrical cc	R 533 135.40	Direct payment				17	Excellent	Mzuku
Jul-15	Rk Sauer Construction South Ca	R 775 473.31	Direct payment				18	Good Quality	Reg
Jul-15	Smec south africa (pty) ltd	R 136 497.58	Direct payment				16	Satisfied	Reg
Jul-15	Uhambiso consult (pty) ltd	R 983 119.59	Direct payment				20	Excellent	Reg
Jul-15	Urhwebo e-transand (willvest t	R 3 846 973.35	Direct payment				19	High Standard	Reg
Jul-15	Vuku asset management	R 10 533.60	Direct payment				18	Acceptable	Reg
Jul-15	Phillip goats	R 420 913.85	Direct payment				15	Satisfied	Ursula
Jul-15	Wards	Commission	Service Level Agreement				15	Satisfied	Heleen
Jul-15	Baviaans Café	Commission	Service Level Agreement				15	Satisfied	Heleen
Jul-15	Ibuyile General Dealer	Commission	Service Level Agreement				15	Satisfied	Heleen
Jul-15	Save a Lot Mini Market	Commission	Service Level Agreement				15	Satisfied	Heleen

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – LESS R30 000 FOR JULY 2015									
DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE
Jul-15	Cab Holdings	Monthly	Service Level Agreement			Section 32 (1) MFMA	15	Satisfied	Heleen
Jul-15	Syntell	Annual Fees	Service Level Agreement				15	Satisfied	Heleen
Jul-15	Bytes Technology Group Samras	Annual Fees	Service Level Agreement				15	Satisfied	Heleen
Jul-15	Fintech	Monthly	Service Level Agreement				15	Satisfied	Ursula
Jul-15	Vuku asset management		Service Level Agreement				18	Satisfied	Heleen

	Service Level Agreements
	Designated Evaluator
	Not satisfactory Service
	Purchases less than R 200 000.00
	Direct payments above R10 000.00

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – AUG 2015									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMATION	RATING FROM 1-25	OVERALL COMMENTS	Person Responsible
15/08/05	Lithotech	R 12 381.15	Stationery for Finance Department	15918	2860	10008078	20	Good Service	Desme
15/08/14	4 Rothman Street B&B	R 10 940.00	Accommodation for 5 staff members of Technical Service	15983	2880	10050292	15	Satisfied	Reg
15/08/18	Piet Viljoen Motors	R 18 245.31	Repair on Diesel Engin DJR 305 EC, Labour	15943	2847	10046339	16	Good	Reg
15/08/05	Piet Viljoen Motors	R 24 852.04	Strip and Quote for Diesel Tractor	15958	2831	10046339	16	Good	Reg
15/08/05	KGL Technologies	R 40 440.00	Labour - Desktop Support Removal of Existing Office suite, Installation of Outlook, Libre Office 5, Small Business Office, at Rietbron, Steytlerville, Zaaimanshoek en Willowmore	15982	2930	10008220	15	Satisfied	Ursula
Aug-15	4 Rothman Street B&B	R 10 940.00	Direct Payment	15983	2880	10050292	18	Excellent	Mzuku
Aug-15	Active Phambili Civils	R 604 058.62	Direct Payment				19	Excellent	Stephan
Aug-15	Absa Fleet Management Solution	R 79 712.34	Direct Payment				17	Excellent	Mzuku
Aug-15	A2a Kopano	R 556 639.20	Direct Payment				20	Excellent	Ursula
Aug-15	Absa Vehicle Management Solutions	R 191 904.74	Direct Payment				17	Excellent	Stephan
Aug-15	Clink Scale Maughan Brown (Pty)	R 61 277.36	Direct Payment				19	Excellent	Reg
Aug-15	Departement Van Vervoer	R 98 483.73	Direct Payment				17	Excellent	Mzuku

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – AUG 2015									
DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE
Aug-15	Fintech	R 27 332.85	Direct Payment				15	Satisfied	Ursula
Aug-15	Vuku Asset Management	R 10 533.60	Direct Payment				18	Excellent	Reg
Aug-15	Ipatch	R 26 584.80	Direct Payment				16	Good	Reg
Aug-15	KGL Technologies	R 60 153.70	Direct Payment				15	Satisfied	Ursula
Aug-15	Kempston Motor Group Trust	R 22 885.75	Direct Payment				16	Good	Mzuku
Aug-15	Metsi Water Solutions	R 22 624.62	Direct Payment				17	Excellent	Mzuku
Aug-15	October Sky Plant Hire & Suppl	R 29 498.75	Direct Payment				17	Good	Zenobia
Aug-15	Piet Viljoen Motors	R 51 414.82	Direct Payment				16	Good	Mzuku
Aug-15	Rk Sauer Construction South Ca	R 235 033.10	Direct Payment				18	Excellent	Mzuku
Aug-15	Steytlerville Crafters Primary	R 14 950.00	Direct Payment				Still in Progress		Jane
Aug-15	Uhambiso Consult (Pty Ltd	R 237 959.59	Direct Payment				20	Excellent	Reg
Aug-15	Urhwebo E-Transand (Willvest T	R 1 275 763.39	Direct Payment				19	Excellent	Reg
Aug-15	Van Schaik Bookstore Pty Ltd	R 80 487.94	Direct Payment				15	Satisfied	Jane
Aug-15	Wards	Commission	Service Level Agreement				15	Satisfied	Heleen
Aug-15	Baviaans Café	Commission	Service Level Agreement				15	Satisfied	Heleen
Aug-15	Ibuyile General Dealer	Commission	Service Level Agreement				15	Satisfied	Heleen
Aug-15	Save a Lot Mini Market	Commission	Service Level Agreement				15	Satisfied	Heleen
Aug-15	Cab Holdings	Monthly	Service Level Agreement				15	Satisfied	Heleen
Aug-15	Syntell	Annual Fees	Service Level Agreement				15	Satisfied	Heleen
Aug-15	Bytes Technology Group Samras	Annual Fees	Service Level Agreement				15	Satisfied	Heleen
Aug-15	Vuku Asset Management	Monthly	Service Level Agreement				15	Good	Reg

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – AUG 2015									
DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE
Aug-15	Spectrum	Annual Fees	Service Level Agreement				15	Good	Stephan
Aug-15	Altech Autopage	Monthly	Service Level Agreement				15	Good	Stephan

	Service Level Agreements
	Designated Evaluator
	Not satisfactory Service
	Purchases less than R 200 000.00
	Direct Payment above R10 000

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – SEPT 2015									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMATION	RATING FROM 1-25	OVERALL COMMENTS	Person Responsible
15/09/08	4 Rothman Street B&B	R 10 940.00	Accommodation for 5 Technical Staff Members - Attending Water	16004	2999	10050292	15	Satisfied	Reg
15/09/09	Willowmore Tourism	R 10 000.00	Project New Fountain	16022	2994	10011044	20	Excellent	Jane
15/09/16	Lithotech	R 14 629.73	3PT Wage Envelopes	16074	3020	10006078	20	Good Service	Desme
15/09/18	Fulcrum Technologies	R 11 856.00	Calibration of Service Station	16098	3102	10058336	15	Satisfied	Reg
15/09/22	Postmaster	R 11 951.00	Envelopes (DL 1500), Envelopes (C4), Stamps, Stamp Booklets	16114	3120	10008150	18	Good	Nicky
15/09/30	Tyres & Treads	R 20 559.85	Fire Stone 12.4-24 and 18.4/15-30	16139	3151	10046339	15	Good	Reg
15/09/18	Conlog (Pty) LTd	R 130 780.23	BEC 23 PL Electricity Metres and Wall Base Units	16103	3100	10074333	15	Quality Service	Reg
15/09/21	Tyres & Treads	R 37 620.00	6 Continental 1000R20 HSR Tyre & Rube, Fire 215 R15 ATX	16111	3109	10078339	15	Good	Reg
28/09/2015	Active Phambili Civils	R 814 061.85	Direct Payment				15	Satisfied	Stephan
28/09/2015	Absa Fleet Management Solution	R 78 477.69	Direct Payment				15	Satisfied	Stephan
30/09/2015	Absa Vehicle Management Soluti	R 96 128.68	Direct Payment				15	Satisfied	Stephan
30/09/2015	Amandas B&B	R 15 900.00	Direct Payment				15	Satisfied	Dawid
30/09/2015	Copy X Business Solutions Cc	R 19 190.88	Direct Payment				15	Satisfied	Ursula
16/09/2015	Clinkscale Maughan Brown (Pty)	R 49 513.04	Direct Payment				16	Professional Service	Reg
28/09/2015	Departement Van Vervoer	R 191 461.50	Direct Payment				15	Acceptable	Reg
30/09/2015	Departement Of Water Affairs &	R 17 234.31	Direct Payment				15	Acceptable	Reg

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – SEPT 2015									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMATION	RATING FROM 1-25	OVERALL COMMENTS	Person Responsible
17/09/2015	Don Greswell Library Products	R 39 914.07	Direct Payment				19	Excellent	Jane
28/09/2015	Fintech	R 27 366.12	Direct Payment				15	Satisfied	Ursula
28/09/2015	Vuku Asset Management	R 11 586.96	Direct Payment				15	Satisfied	Stephan
28/09/2015	Kgl Technologies	R 18 150.00	Direct Payment				15	Satisfied	Ursula
16/09/2015	Kontrei Elektriese Konsultante	R 74 920.13	Direct Payment				15	Satisfied	Stephan
28/09/2015	Mott Macdonald Pdna (Pty) Ltd	R 34 200.00	Direct Payment				15	Satisfied	Reg
28/09/2015	Outeniqua Plastics	R 50 635.52	Direct Payment				18	Satisfied/Good	Nicky
23/09/2015	Posmeester	R 63 105.40	Direct Payment				18	Good	Nicky
30/09/2015	Rk Sauer Construction South Ca	R 412 169.14	Direct Payment				14	Meet Target	Reg
17/09/2015	Steyn & V.D. Vyver	R 127 879.58	Direct Payment						MM
28/09/2015	Smec South Africa (Pty) Ltd	R 42 283.76	Direct Payment				15	Satisfied	Stephan
28/09/2015	Uhambiso Consult (Pty Ltd	R 425 465.31	Direct Payment				15	Satisfied	Stephan
28/09/2015	Urhwebo E-Transand (Willvest T	R 5 460 507.99	Direct Payment				15	Satisfied	Stephan
16/09/2015	Willowmore Hardware Cc	R 32 643.90	Direct Payment				16	Satisfied	Reg
Sep-15	Wards	Commission	Service Level Agreement	Terminate Service from 31/10/2015			14	Not Satisfied	Ursula
Sep-15	Baviaans Café	Commission	Service Level Agreement				10	Not Satisfied	Ursula
Sep-15	Ibuyile General Dealer	Commission	Service Level Agreement				15	Satisfied	Ursula
Sep-15	Save a Lot Mini Market	Commission	Service Level Agreement				15	Satisfied	Ursula
Sep-15	Cab Holdings	Monthly	Service Level Agreement				15	Satisfied	Ursula
Sep-15	Syntell	Annual Fees	Service Level Agreement				15	Satisfied	Ursula
Sep-15	Bytes Technology Group Samras	Annual Fees	Service Level Agreement				15	Satisfied	Ursula
Sep-15	Vuku Asset Management	Monthly	Service Level Agreement				15	Satisfied	Stephan
Sep-15	Spectrum	Annual Fees	Service Level Agreement				15	Satisfied	Stephan
Sep-15	Altech Autopage	Monthly	Service Level Agreement				15	Satisfied	Stephan

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – LESS R30 000 FOR OKTOBER 2015 - DECEMBER 2015									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMAT ION	RATING FROM 1- 25	OVERALL COMMENTS	Person Evaluate
05/10/2015	Mustek Limited	R 13 303.80	021-10234 Office STD 2013 SNGLOLP NL ACDMC	16147	3162	10008296			
09/10/2015	Aan die Oewer B & B	R 13 600.00	Accommodation for 5 Technical Employees attending water course in Graaff-Reinet	16164	3202	10050292			
20/10/2015	Zaayman's Garage	R 11 970.00	New Ingersol Rand Compressor 200 Kpa model	16189	3245	10050324			
30/10/2015	ACTIVE PHAMBILI CIVILS	R 94 745.17	DIRECT PAYMENTS						Stephan
15/10/2015	ABSA FLEET MANAGEMENT SOLUTION	R 106 265.01	DIRECT PAYMENTS						Stephan
30/10/2015	A2A KOPANO	R 122 641.20	DIRECT PAYMENTS						Ursula
14/10/2015	AAN DIE OEWER B&B	R 13 600.00	DIRECT PAYMENTS						Mzuku
30/10/2015	ABSA VEHICLE MANAGEMENT SOLUTI	R 100 964.32	DIRECT PAYMENTS						Stephan
30/10/2015	BYTES UNIVERSAL SYSTEMS A DIVI	R 46 477.67	DIRECT PAYMENTS						Ursula
14/10/2015	COPY X BUSINESS SOLUTIONS CC	R 22 199.95	DIRECT PAYMENTS						Ursula
16/10/2015	DEPARTEMENT VAN VERVOER	R 49 675.32	DIRECT PAYMENTS						Mzuku
16/10/2015	FINTECH	R 27 349.50	DIRECT PAYMENTS						Ursula
30/10/2015	VUKU ASSET MANAGEMENT	R 11 586.96	DIRECT PAYMENTS						Stephan
30/10/2015	HUMAN & SNELL CONTRACTING AND	R 92 340.00	DIRECT PAYMENTS						Mzuku
30/10/2015	KGL TECHNOLOGIES	R 33 540.00	DIRECT PAYMENTS						Ursula
30/10/2015	MDL ELECTRICAL CC	R 63 590.91	DIRECT PAYMENTS						Mzuku

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – LESS R30 000 FOR OKTOBER 2015 - DECEMBER 2015									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMAT ION	RATING FROM 1- 25	OVERALL COMMENTS	Person Evaluate
30/10/2015	MUSTEK LIMITED	R 197 191.50	DIRECT PAYMENTS						Ursula
30/10/2015	MOTT MACDONALD PDNA (PTY) LTD	R 21 318.00	DIRECT PAYMENTS						Reg
30/10/2015	RK SAUER CONSTRUCTION SOUTH CA	R 595 766.18	DIRECT PAYMENTS						Reg
30/10/2015	STEYN & V.D. VYVER	R 225 720.00	DIRECT PAYMENTS						MM
30/10/2015	SYNTELL PTY LTD	R 70 814.62	DIRECT PAYMENTS						Ursula
30/10/2015	TIMES MEDIA (PTY) LTD	R 18 126.00	DIRECT PAYMENTS						Desme
30/10/2015	TUINROETE AGRI	R 18 546.94	DIRECT PAYMENTS						Mzuku
30/10/2015	TRUCON PROFESSIONAL CIVIL ENGI 1	R 36 008.98	DIRECT PAYMENTS						Reg
30/10/2015	UHAMBISO CONSULT (PTY LTD	R 961 653.76	DIRECT PAYMENTS						Stephan
30/10/2015	URHWEBO E-TRANSAND (WILLVEST T 2	R 896 073.37	DIRECT PAYMENTS						Stephan
14/10/2015	ZAAYMANS GARAGE	R 28 956.47	DIRECT PAYMENTS						Mzuku
Oct-Dec 2015	Wards (Tillies Tuck Shop)	Commission	Service Level Agreement				15	Satisfied	Ursula
Oct-Dec 2015	Baviaans Café	Commission	Service Level Agreement				15	Satisfied	Ursula
Oct-Dec 2015	Ibuyile General Dealer	Commission	Service Level Agreement				15	Satisfied	Ursula
Oct-Dec 2015	Save a Lot Mini Market	Commission	Service Level Agreement				15	Satisfied	Ursula
Oct-Dec 2015	Cab Holdings	Monthly	Service Level Agreement			Section 32 (1) MFMA	15	Satisfied	Ursula
Oct-Dec 2015	Syntell	Annual Fees	Service Level Agreement				15	Satisfied	Ursula
Oct-Dec 2015	Bytes Technology Group Samras	Annual Fees	Service Level Agreement				15	Satisfied	Ursula
Oct-Dec 2015	Fintech	Monthly	Service Level Agreement				15	Satisfied	Ursula
Oct-Dec 2015	Vuku asset management		Service Level Agreement				18	Satisfied	Heleen

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 JANUARY - MARCH 2016									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMATION	RATING FROM 1-25	OVERALL COMMENTS	Person Evaluate
Jan	Revenue Consulting (Pty) Ltd	R 11 065.38	Commission on Collections:	various			15	Satisfied	Ursula
Jan	Mbasana Asphalt Surfacing	R 16 000.00	Supply of 200 Coldmix Bags 30kg	16386	3542				Mzuku
Jan	George Refrigeration & Air conditioners	R 23 728.00	Service of Air conditioners in Willowmore, Rietbron, Steytlerville	various			15	Satisfied	Ursula
Jan	Joat Sales & service EC (PTY) Ltd	R 28 488.60	Domestic Water Meter in D&D Econo Box	16409	3565				Mzuku
Jan	ZA WEBS Design CC	R 19 900.00	Website Maintenance, Support, Hosting, Domain	16436	3595				Jane
Jan	Somerset Hotel	R 12 300.00	Accommodation for 4 nights, Dinner, lunch packs and Breakfast	16458	3637				Mzuku
Jan	Department of Transport	R 465 660.03	R751 - New Cards Orders for November, December and January 2016	16460	3619				Mzuku
Jan	ABC Pumps & Engineering	R 43 790.82	Gundfos Solar Pump Motor Control Box	16476	3677				Mzuku
Jan	Juvinon Systems/I.S.M.	R 10 310.00	HP LaserJet 304A Cartridges, Black, Cyan, Magenta and Courier Costs	16496	3696		23	Good Quality Service	Desme
Jan	Rietbron Tourism	R 10 000.00	Tourism product Development - upgrading of Playgrounds, Sign Age & Markdam	16517	3720				Jane
Jan	Baviaanskloof Tourism	R 10 000.00	Tourism Product Development - Centenary Memorial of the 1916 Flood	16519	3719				Jane

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 JANUARY - MARCH 2016									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMATION	RATING FROM 1-25	OVERALL COMMENTS	Person Evaluate
Jan	Steytlerville Tourism Associates	R 10 000.00	To remove existing Signage - New Signage & Artwork of Different Families	16520	3718				Jane
Jan	Willowmore Hardware	R 27 900.00	Ball o Stop, Float valves, P-Washers Cisterns, Taps and Indigent Repairs	various					Mzuku
Jan	Immex Waste Management	R 28 728.00	Vacuum Suctions of Conservancy Tanks in the Baviaans Municipality Area with 7000litre Vacuum Tank. Establishment Fee	16554	3785				Mzuku
Jan	Auric Dealers CC	R 23 940.00	Tactical Response Security for one Day Supply & Security officers, armed	16583	3825				Mzuku
Jan	Teloc Waste management CC	R 13 976.40	Hire Suction Truck to clean residential tans in Willowmore, Establishment Fee	16588	3835				Reg
10/02/2016	Chris Baker & Associates	R 45 843.96	Direct Payment				15	Satisfied	Lizette
19/02/2016	Fintech	R 54 715.73	Direct Payment				15	Satisfied	Ursula
29/02/2016	Lithotech Cape	R 14 629.73	Direct Payment				22	Very Good Service	Desme
07/03/2016	Active Phambili Civils	R 320 421.13	Direct Payment				15	Satisfied	Stephan
31/03/2016	Absa Fleet Management Solution	R 314 900.38	Direct Payment						Stephan
31/03/2016	A2A Kopano	R 69 699.60	Direct Payment				20	Excellent Service	Ursula
31/03/2016	Absa Vehicle Management Solution	R 401 763.98	Direct Payment				15	Satisfied	Stephan

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 JANUARY - MARCH 2016									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMATION	RATING FROM 1-25	OVERALL COMMENTS	Person Evaluate
30/03/2016	Auric Dealers Cc	R 58 058.00	Direct Payment						Reg
31/03/2016	Mbasana Asphalt Surfacing Cc	R 34 000.00	Direct Payment						Mzuku
09/03/2016	Baviaans Kafee	R 23 444.89	Direct Payment				15	Satisfied	Ursula
15/03/2016	Copy X Business Solutions Cc	R 68 390.17	Direct Payment				15	Satisfied	Ursula
30/03/2016	Cab Holdings Pty Ltd	R 17 719.13	Direct Payment				15	Satisfied	Ursula
31/03/2016	Delcell (W De La Mare Holdings	R 10 795.00	Direct Payment				15	Satisfied	Ursula
31/03/2016	Vuku Asset Management	R 46 347.84	Direct Payment				15	Satisfied	Stephan
09/03/2016	Ibuyile General Dealer	R 16 292.68	Direct Payment				15	Satisfied	Ursula
31/03/2016	Juvinon Systems / I.S.M.	R 24 838.00	Direct Payment				19	Satisfied	Desme
30/03/2016	KPMG Services (Pty) Ltd	R 51 623.14	Direct Payment				13	Not Good	Ursula
31/03/2016	Kgl Technologies	R 54 450.00	Direct Payment				15	Satisfied	Ursula
31/03/2016	Kempston Motor Group Trust	R 19 709.08	Direct Payment						Mzuku
07/03/2016	Kingfisher Guesthouse (Kingfis	R 17 400.00	Direct Payment						Mzuku
31/03/2016	Metsi Water Solutions	R 11 268.90	Direct Payment						Mzuku
15/03/2016	Mdl Electrical Cc	R 69 306.04	Direct Payment						Mzuku
04/03/2016	Nashua George (Zestirox Pty Lt	R 16 409.70	Direct Payment				15	Satisfied	Ursula
31/03/2016	Northfield Engineering	R 10 111.80	Direct Payment				15	Satisfied	Mzuku
31/03/2016	Oos Vrystaat Kaap Bedryf Beper	R 24 556.02	Direct Payment						Mzuku
31/03/2016	Outeniqua Plastics	R 16 836.43	Direct Payment				22	Excellent	Desme
30/03/2016	Piet Viljoen Motors	R 65 698.16	Direct Payment						Mzuku
31/03/2016	Rika's B&B	R 15 900.00	Direct Payment				15	Satisfied	Lizette
31/03/2016	Rk Sauer Construction South Ca	R 107 285.51	Direct Payment				15	Satisfied	Stephan
30/03/2016	Revenue Consulting Pty Ltd	R 37 299.48	Direct Payment				15	Satisfied	Ursula
31/03/2016	Steyn & V.D. Vyver	R 127 153.33	Direct Payment				15	Satisfied	Lizette

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 JANUARY - MARCH 2016									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMATION	RATING FROM 1-25	OVERALL COMMENTS	Person Evaluate
09/03/2016	Save A Lot Mini Market	R 12 461.35	Direct Payment				15	Satisfied	Ursula
31/03/2016	Trucon (Seasons Find 740)	R 601 203.52	Direct Payment				15	Satisfied	Mzuku
31/03/2016	Uhambiso Consult (Pty Ltd	R 496 388.73	Direct Payment				15	Satisfied	Stephan
31/03/2016	Urhwebo E-Transand (Willvest T	R477 967.48	Direct Payment				15	Satisfied	Stephan
31/03/2016	Voltex George	R 18 769.06	Direct Payment						Mzuku
31/03/2016	Willowmore Foodzone	R 11 396.80	Direct Payment				19	Excellent Service	Zenobia
31/03/2016	Willowmore Hardware Cc	R 84 218.45	Direct Payment						Mzuku
30/03/2016	Waltons Graaff-Reinett	R 14 476.17	Direct Payment				19	Excellent Service	Zenobia
31/03/2016	Zaaymans Garage	R 14 007.24	Direct Payment						Mzuku
Jan-Mrt 2016	Altech Autopage	Commission	Service Level Agreement				15	Satisfied	Stephan
Jan-Mrt 2016	Wards (Tillies Tuck Shop)	Commission	Service Level Agreement				14	Not Satisfied	Ursula

	Service Level Agreements
	Designated Evaluator
	Not satisfactory Service
	Purchases less than R 200 000.00
	Direct payments above R10 000.00

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – FOR APRIL - JUNE 2016									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMATI ON	RATING FROM 1- 25	OVERALL COMMENTS	EVALUATOR
18/04/2016	Rietbron Handcrafts	R 14 950.00	Direct Payments				15	Satisfied	Jane
18/04/2017	Marce Projects (Pty) Ltd	R 10 243.62	Direct Payments				15	Satisfied	Mzuku
18/04/2018	George Refridgeration & Aircon	R 80 966.95	Direct Payments				16	Satisfied	Desme
18/04/2019	Bytes Universal Systems	R 12 165.98	Direct Payments				15	Satisfied	Desme
18/05/2016	Chris Baker & Associates	R 62 109.70	Direct Payments				15	Satisfied	Lizette
30/05/2016	Department of Transport	R 213 343.46	Direct Payments				20	Good Service	Desme
31/05/2016	Absa Fleet Management Solutions	R 300 313.54	Direct Payments				15	Satisfied	Stephan
14/06/2016	Active Phambili Civils	R 516 890.29	Direct Payments				15	Satisfied	Stephan
14/06/2016	Anthony Management Systems	R 61 885.60	Direct Payments				21	Excellent	Jane
14/06/2016	Cab Holdings Pty Ltd	R 29 134.91	Direct Payments				19	Good Service	Desme
14/06/2016	Vuku Asset Management	Vuku Asset Management	Direct Payments				15	Satisfied	Stephan
14/06/2016	Human & Snell Contracting	R 139 832.80	Direct Payments				15	Satisfied	Stephan
14/06/2016	Ibuyile General Dealer	R 14 618.73	Direct Payments				15	Satisfied	Desme
14/06/2016	Joat Sales & service EC (PTY) LTD	R 28 488.60	Direct Payments				15	Satisfied	Mzuku
14/06/2016	MDL Electrical	R 58 968.76	Direct Payments				15	Satisfied	Mzuku
14/06/2016	Outeniqua Plastics	R 11 856.00	Direct Payments				20	Good/Service/product	Desme
14/06/2016	Save a Lot Mini Market	R 10 461.64	Direct Payments				15	Satisfied	Desme
14/06/2016	Trucon (Season Find 740)	R 439 013.12	Direct Payments				15	Satisfied	Desme
29/06/2016	Absa Vehicle Management Solutions	R 300 828.92	Direct Payments				15	Satisfied	Stephan

SUPPLIER EVALUATIONS MONTHLY REPORT									
ALL PURCHASE REPORT ABOVE R10 000 – FOR APRIL - JUNE 2016									
DATE	SUPPLIER	AMOUNT	DESCRIPTION	ORDER	REQ	INFORMATI ON	RATING FROM 1-25	OVERALL COMMENTS	EVALUATOR
29/06/2017	Auric Dealers CC	R 142 450.00	Direct Payments				19	Excellent	Mzuku
29/06/2018	Copy X Business Solutions CC	R 54 354.84	Direct Payments				20	Good Service	Desme
29/06/2019	Fintech	R 109 420.32	Direct Payments				20	Good Service	Desme
29/06/2020	Internet Generation	R 13 000.00	Direct Payments				15	Satisfied	Desme
29/06/2021	KGL Technologies	R 86 954.00	Direct Payments				15	Satisfied	Desme
29/06/2022	LRC Civils	R 977 166.83	Direct Payments				15	Satisfied	Stephan
29/06/2023	Nashua George (Zestiroc PTY LTD)	R 15 660.10	Direct Payments				15	Satisfied	Desme
29/06/2024	Oos Vrystaat Kaap (OVK)	R 17 681.47	Direct Payments				15	Satisfied	Mzuku
29/06/2025	Obesa Lodge	R 24 960.00	Direct Payments				16	Satisfied	Mzuku
29/06/2026	Piet Viljoen Motors	R 53 564.11	Direct Payments				16	Satisfied	Mzuku
29/06/2027	Rietbron Tourism	R 10 000.00	Direct Payments				18	Satisfied	Jane
29/06/2028	Uhambiso Consult (PTY) LTd	R 893 735.61	Direct Payments				15	Satisfied	Stephan
29/06/2029	Urhwebo E-Transand	R 775 628.48	Direct Payments				15	Satisfied	Stephan
29/06/2030	Willowmore Hardware	R 55 532.80	Direct Payments				16	Satisfied	Mzuku
29/06/2031	Zaaymans Garage	R 11 646.91	Direct Payments				17	Satisfied	Mzuku
29/06/2032	A2A Kopano	Contract					23	Excellent	Desme
Apr-June 2018	Syntell	Annually	Service Level Agreement				15	Satisfied	Desme
Apr-June 2016	Revenue Consulting Pty Ltd	Monthly Commission	Service Level Agreement				15	Satisfied	Desme
Apr-jun 2016	Altech Autopage	Monthly Commission	Service Level Agreement				15	Satisfied	Stephan
Apr-jun 2016	Wards (Tillies Tuck Shop)	Monthly Commission	Service Level Agreement				15	Satisfied	Desme
Jun-16	Bonanza	Monthly Commission	Service Level Agreement				15	Satisfied	Desme

3.4 ACTION PLAN TO ADDRESS AUDITOR GENERAL'S REPORT 2014/15 As per Audit report 2015

Control no.	A-G Report ref.	Finding	Classification	Area	Impact/Rating	Audit Recommendation	New / Old issue	Estimated date of completion /correction	Management Response	Key tasks that need to be performed	Official(s) delegated to	Comments	Status
1	8	As disclosed in note 32 to the financial statements, the corresponding figures for 30 June 2014 have been restated as a result of errors discovered during 30 June 2015.	Emphasis of matters	Restatement of corresponding figures	Impact on audit report	None	Old	Ongoing		The development of an unqualified audit road map.	MM/CFO	The CFO should ensure that corresponding figures are verified at all times for correctness.	Okay - manageable issues
2	9	As disclosed in note 37 in the financial statements, the boundaries of Baviaans Local Municipality, Ikwezi Local Municipality and Camdeboo Local Municipality have been redefined. The three municipalities will be amalgamating after the local government elections. The official date of the amalgamation has not been published in the government gazette and the financial implications for the Baviaans Local Municipality cannot be reliably estimated.	Emphasis of matters	Events after reporting date	Impact on audit report	None	New	Date of amalgamation			MM/CFO		Okay - manageable issues
3	10	As disclosed in note 44 to the financial statements, the municipality incurred distribution losses relating to water of 24% (2014: 21%) and relating to electricity of 9.5% (2014: 11.8%). The percentage disclosed for material losses is above the acceptable range.	Emphasis of matters	Material losses	Impact on audit report	None	New	Ongoing			MM/CFO/ Manager Technical Services		Okay - manageable issues

Control no.	A-G Report ref.	Finding	Classification	Area	Impact/Rating	Audit Recommendation	New / Old issue	Estimated date of completion /correction	Management Response	Key tasks that need to be performed	Official(s) delegated to	Comments	Status
4	12	The supplementary information set out on pages x to x does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly, I do not express an opinion thereon.	Additional Matters	Unaudited supplementary information	Impact on audit report	None	Old	N/A			MM/CFO		FINALIZED
5	13	In terms of section 125(2) (e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA. The disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.	Additional Matters	Unaudited disclosure notes	Impact on audit report	None	New	N/A			MM/CFO		FINALIZED

Control no.	A-G Report ref.	Finding	Classification	Area	Impact/Rating	Audit Recommendation	New / Old issue	Estimated date of completion /correction	Management Response	Key tasks that need to be performed	Official(s) delegated to	Comments	Status
6	14	In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading, but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion on these matters.	Additional Matters	Report on other legal and regulatory requirements	Impact on audit report	None	New	N/A			MM/CFO		FINALIZED
7	15	I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected development priority presented in the annual performance report of the municipality for the year ended 30 June 2015: - Development priority: Infrastructure	Predetermined objectives	Predetermined objectives	Impact on audit report	None	Old				MM/Manager Technical Services		Okay - manageable issues

Control no.	A-G Report ref.	Finding	Classification	Area	Impact/Rating	Audit Recommendation	New / Old issue	Estimated date of completion /correction	Management Response	Key tasks that need to be performed	Official(s) delegated to	Comments	Status
		development on pages x to x.											
8	16	I evaluated the reported performance information against the overall criteria of usefulness and reliability.	Predetermined objectives	Predetermined objectives	Impact on audit report	None	Old				MM/CFO		FINALIZED
9	17	I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned development priorities. I further performed tests to determine whether indicators and targets were well-defined, verifiable, specific, measurable, time bound and relevant, as required	Predetermined objectives	Predetermined objectives	Impact on audit report	None	Old	Ongoing			MM/Manager Community Services		FINALIZED

Control no.	A-G Report ref.	Finding	Classification	Area	Impact/Rating	Audit Recommendation	New / Old issue	Estimated date of completion /correction	Management Response	Key tasks that need to be performed	Official(s) delegated to	Comments	Status
		by the National Treasury's <i>Framework for managing programme performance information</i> (FMPPI).											
10	18	I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete	Predetermined objectives	Predetermined objectives	Impact on audit report	None	Old	Ongoing			MM/Manager Community Services		FINALIZED
11	19	I did not identify material findings on the usefulness and reliability of the reported performance information for the following development priority: - Development priority: Infrastructure development	Predetermined objectives	Predetermined objectives	Impact on audit report	None	New	Ongoing			MM/CFO/Manager Technical Services		Okay - manageable issues
12	21	Refer to the annual performance report on page x to x for information on the achievement of the	Additional Matters	Achievement of planned targets	Impact on audit report	None	New	Ongoing			MM/Manager Community Services		FINALIZED

Control no.	A-G Report ref.	Finding	Classification	Area	Impact/Rating	Audit Recommendation	New / Old issue	Estimated date of completion /correction	Management Response	Key tasks that need to be performed	Official(s) delegated to	Comments	Status
		planned targets for the year.											
13	22	I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for infrastructure development. As management subsequently corrected the misstatements, I did not identify material findings on the usefulness and reliability of the reported performance information.	Additional Matters	Adjustment of material misstatements	Impact on audit report	None	Old	N/A			MM/CFO		Okay - manageable issues
14	24	The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. One material misstatement of a disclosure item identified by the auditors in the submitted financial statements was subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.	Compliance with legislation	Financial Statements , performance and annual reports	Impact on audit report	None	Old	N/A			MM/CFO		FINALIZED

Control no.	A-G Report ref.	Finding	Classification	Area	Impact/Rating	Audit Recommendation	New / Old issue	Estimated date of completion /correction	Management Response	Key tasks that need to be performed	Official(s) delegated to	Comments	Status
15	25	Money owed by the municipality was not always paid within 30 days, as required by section 65(2) (e) of the MFMA.	Compliance with legislation	Expenditure management	Impact on audit report	None	Old	Ongoing	The municipality is currently experiencing severe cash flow constraints and steps will be taken in future to ensure that the budget available is in line with the cash inflows of the municipality.	<ul style="list-style-type: none"> ▪ The MM and CFO must reiterate the fact that the Municipality has limited funding resources in all Management Meetings. ▪ All managers should ensure that all officials are informed of the limited available funds. 	MM/CFO/Expenditure Controller	<ul style="list-style-type: none"> ▪ The MM, CFO and all Managers to ensure that steps are implemented to align cash in and outflows. The current cash flow constraints will result in this issue remaining unmanageable 	Bad - unmanageable issues
16	26	Reasonable steps were not taken to prevent unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure, as required by section 62(1) (d) of the MFMA.	Compliance with legislation	Expenditure management	Impact on audit report	None	Old	Ongoing			CFO/SCM Practitioner		Bad - unmanageable issues

Control no.	A-G Report ref.	Finding	Classification	Area	Impact/Rating	Audit Recommendation	New / Old issue	Estimated date of completion /correction	Management Response	Key tasks that need to be performed	Official(s) delegated to	Comments	Status
17	27	Awards were made to providers who are in the service of other state institutions, in contravention of MFMA 112(j) and SCM regulations 44. Similar awards were identified in the prior year and no effective steps were taken to prevent or combat the abuse of the SCM process in accordance with SCM regulation 38(1).	Compliance with legislation	Procurement and contract management	Impact on audit report	None	Old	Ongoing			CFO/SCM Practitioner		Bad - unmanageable issues
18	29	Leadership has been effective in the establishment of a performance driven culture, oversight of management and HR management. Required policies and procedures were in place and action plans implemented during the year were effective.	Internal control	Leadership	Impact on audit report	None	New	N/A			MM/Manager Community Services		FINALIZED
19	30	Management has implemented adequate record keeping. Daily and monthly processing and reconciliation of transactions has occurred, with the exception of commitments and irregular expenditure	Internal control	Financial and performance management	Impact on audit report	None	New	Ongoing			MM/CFO		Okay - manageable issues

Control no.	A-G Report ref.	Finding	Classification	Area	Impact/Rating	Audit Recommendation	New / Old issue	Estimated date of completion /correction	Management Response	Key tasks that need to be performed	Official(s) delegated to	Comments	Status
20	17	Risk management activities are adequately implemented. The audit committee is effective and fully supported by council and management. Internal audit had limited impact during the financial year due to budgetary constraints.	Internal control	Governance	Impact on audit report	None	New	N/A			MM/CFO		Okay - manageable issues

NOTULE VAN 'N SPESIALE VERGADERING VAN DIE BAVIAANS MUNISIPALITEIT GEHOU OP DONDERDAG 17 MAART 2016 OM 12:30 IN DIE RAADSAAL WILLOWMORE

TEENWOORDIG:

RAADSLEDE

E. Loock	(Burgemeester)	Voorsitter
D. Bezuidenhout		
H. Booysen		
V. Lapperts		
T. Spogter		
G. Hobson		
M. Fivaz		

AMPTENARE

Jama Vumazonke	Munisipale Bestuurder
Waarnemende Finansiële Bestuurder	
Tegniese Bestuurder	
Gemeenskapsdienste Bestuurder	
Korporatiewe Dienste Bestuurder	
Me. Z. Hendricks	Komitee Klerk

AFVAARDIGINGS

GEEN

1. OPENING

Raadslid H. Booysen open die vergadering met 'n gebed waarna die Burgemeester die Raadslede, Amptenare en Afgevaardigdes by die vergadering verwelkom.

2. KENNISGEWING

Die Burgemeester lees die kennisgewing van die vergadering hardop ter bevestiging dat die vergadering aan Munisipale Wetgewing voldoen.

7.5 REPORT FROM THE MUNICIPAL MANAGER

7.5.1 OVERSIGHT REPORT: 2014/15 FINANCIAL YEAR:

RESOLVED

- a) That cognizance be taken of the Oversight Report on the 2014/2015 Annual Report of the Baviaans Municipality;
- b) That the Council, having fully considered the Annual Report referred to in (a) above, adopts the Oversight Report.
- c) That the 2014/2015 Annual Report of the Baviaans Municipality be adopted without reservation, taking into consideration the Business Plan address the Oversight Report
- d) Council requested the Mayor to report on progress with execution of the corrective actions contained in the Oversight Report.
- e) That the Oversight Report be made public in accordance with section 129(3) of the Municipal Finance Management Act (Act 56 of 2003);
- f) That the Oversight Report be submitted to the Provincial Legislature in accordance with section 132 (2) of the Municipal Finance Act (Act 56 of 2003).

8. AFSLUITING

Die Burgemeester bedank almal vir hul onderskeie bydrae.

Die Vergadering verdaag om 14: 15

BEKRAGTIG



VOORSITTER

17 Maart 2016

DATUM

INDEX

1. Statement of purpose of the Oversight Report.
2. The Oversight Committee.
3. Circulation of the Annual Report.
4. Summary of Findings relating to the Annual Reporting Process.
5. Summary of Presentations received from the Community and Others.
6. Summary of Reservations and Corrective Actions to be taken by the Administration and oversee by the Mayor
7. Summary of Components that require to be revised.
8. Minutes of the Meeting of the Oversight Committee
9. Resolution of Council

1. Statement of Purpose of the Oversight Report

It is important to have some understanding of the accountability framework for municipalities in order to correctly understand the role of the Oversight Report as distinct from that of the Annual Report and any other reports required from the municipality.

The following table displays the nature of the accountability framework for local government:

ACCOUNTABILITY FRAMEWORK FOR LOCAL GOVERNMENT

	Responsible for	Oversight over	Accountable to
Council	Approving policy and budget	Mayor	Community
Mayor	Policy, budgets, outcomes, management of/oversight over municipal manager	Municipal Manager	Council
Municipal Manager	Outputs and implementation	The Administration	Mayor
Chief Financial Officer and Senior Managers	Outputs and implementation	Financial Management and Operational Functions	Municipal Manager

The Oversight Report is the final major step in the annual reporting process of a municipality.

Section 129 of the Municipal Finance Management Act requires the council to consider the annual report of its municipality and to adopt an "Oversight Report" containing the council's comments on the annual report.

The Oversight Report must include a statement whether the council:

- Has approved the annual report, with or without reservations;
- Has rejected the annual report; or
- Has referred the annual report back for revision of those components that can be revised.

The Oversight Report is a separate product from the Annual Report.

The Annual Report is submitted to the Council by the Accounting Officer and the Mayor and is part of the process for discharging accountability by the executive and administration for their performance in achieving objectives and goals set by the municipality in the relevant financial year.

The Oversight Report follows consideration and consultation on the Annual Report and is considered to be a report of the municipal council to the community disclosing the level of success or otherwise, obtained with meeting the priority needs and stated desires of the community as contained in the IDP.

2. The Oversight Committee.

The Oversight Committee consists of the following Councillors:

D Bezuidenhout	Chairperson
H Booysen	Councillor
V. Lapperts	Councillor
M. Fivaz	Councillor
G. Hobson	Councillor
T. Spogter	Councillor

Councillor D. Bezuidenhout served as Chairperson of the Oversight Committee.

3. Circulation of the Annual Report

The Annual Report was circulated by making copies available and advertising its availability for inspection as follows:

Baviaans Municipal Offices:

42 Wehmeyerstreet

WILLOWMORE

6445

Baviaans Municipal Offices

Church Street

STEYTLERVILLE

Baviaans Municipal Offices

Rietbron

Baviaans Libraries:

4th Avenue

WILLOWMORE

6445

Middleton Street

STEYTLERVILLE

6250

Graaff-Reinet Advertiser

Households: Willowmore, Steytleville, Rietbron and Baviaanskloof

4. Summary of Findings relating to the Annual Reporting Process – 2014/2015

The following table summarises the respective findings of the Oversight Committee relating to the process followed in compiling the Annual Report and the resultant Oversight Report in comparison to the process required by statute.

Reservation Expressed by the Oversight Committee	Actions required	Due date
The Annual Report was submitted to council on due date. The Council meeting was held on the 28 January 2016.	Done	28 January 2016

5. Summary of Submissions received from the Community and others.

The following table reflects the key written representations received from the respective bodies/individuals relating to the contents of the Annual Report:

Representation Submitted by:	Key Issues Raised	Determination by Oversight Committee
Individual Councillors	None	
Private individuals	None	
Civic organisations	None	
Other organised community structures (business, churches, sporting bodies, agriculture, labour, etc.)	None	See attached notice to community: Invitation to attend Oversight Committee Meeting
Internal Auditors	None	
Audit Committee	<u>Members of the Audit Committee</u> Report of the Chairperson of the Audit Committee is on pages 351- 354 of the Annual Report	Not present at Oversight Committee Meeting 17 March 2016 (Apologies)
Other spheres of government	None	

4	Lack of effective communication (Written correspondence received from the public)	Acknowledgement of receipt to be executed in 7 working days. Management to ensure that all correspondence received be attended and resolved in a reasonable time	Ongoing	MM/All Managers
5	Customer Care/Help Desk not functional in satellite offices	Ensure that an effective Customer Care Service(Helpdesk) are implemented at all Municipal offices	30 June 2016	Community Service Manager
6	Building Plans/Town Planning applications	Ensure that all relevant legislation with regards to the approval of Building Plans and Town Planning applications be strictly adhere to.	Monthly report to be submitted to Council	TSM and Assistant Manager
7	Register of Council Resolutions	That a standing item in respect of the execution of Council resolutions be included in the Agenda of all Council Meetings	Monthly	Manager Corporate Service
8	Budget and Treasury Policies not fully implemented and executed	That a workshop be held with all BTO officials once all policies have been	30 June 2016	Acting CFO

9	Lack of repairs and maintenance	reviewed and adopted by Council	30 June 2016	MM/Technical Service Manager
10	Evaluation of Lower level staff in Technical Department	That a maintenance plan be developed and implemented to ensure spending as per the approved Budget That all lower level staff in the Technical Department be evaluated before the end of the current Financial Year.	30 June 2016	TCM/Assistant Technical Service Manager
11	Outstanding Disciplinary Hearings staff members	That all outstanding disciplinary hearings be concluded before the end of the current financial year	30 June 2016	MM/Corporate Service Manager
12.	Execution of Oversight function of the Mayor to address the findings as indicated in the Oversight Report	Weekly Meetings between the Mayor and the MM. Quarterly progress reports be submitted to Council	Quarterly	Mayor's Office
13	That findings 3-11 be referred to the next MPAC Meeting for monitoring and Oversight	That quarterly progress report on findings 1-11 be submitted to MPAC to enable them to verify progress made and report to Council	Quarterly	Corporate Service Manager/Chairperson of MPAC

6. Summary of Reservations Expressed and Corrective Actions to be taken by the Mayor (MFMA 131/1) and the Administration and oversee by the Mayor on the Annual Report and Auditor General's Report 2014/2015

Reservation Expressed by the Oversight Committee	Actions Required	Due Date	Responsible Person	Comments Mayor
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7. Summary of Components that require to be Revised

All issues of concern will be addressed as part of the corrective actions required under paragraph 6 above.

8. Minutes of the Meetings of the Oversight Committee

The Minutes of the Oversight Committee Meeting held on 17 March 2016 are attached to this report and will be send before 7th of April 2016 to DPLGTA, Provincial Treasury and National Treasury.

9. Resolution adopted by Council in Accordance with Section 129(1) of the MFMA

- That cognizance be taken of the Oversight Report on the 2014/2015 Annual Report of the Baviaans Municipality;
- That the Council, having fully considered the Annual Report referred to in (a) above, adopts the Oversight Report.
- That the 2014/2015 Annual Report of the Baviaans Municipality be adopted without reservation; taking into consideration the Business Plan to address the Oversight Report.
- Council request the Mayor to report to Council on progress with execution of the corrective actions contained in the Oversight Report.
- That the Oversight Report be made public in accordance with section 129(3) of the Municipal Finance Management Act (Act 56 of 2003);
- That the Oversight Report be submitted to the Provincial Legislature in accordance with section 132(2) of the Municipal Finance Management Act (Act 56 of 2003).


D. BEZUIDENHOUT
CHAIRPERSON

17 March 2016
DATE

“ANNEXURE B”

Checklist to make determinations regarding the annual Reporting process followed by the Bavians municipality

Required Actions	Prescribed Dates	Actual Dates	Who Responsible	Response offered by person responsible
Submit AFS to A-G	31 August 2015	August 2015	Municipal Manager (MM)	Done
Issue audit report	November 2015	December 2015	Auditor-General	Done
Provide copy to Audit Committee	28 Jan 2016	Jan 2016	MM	Audit Committee responses see page 351 of Annual Report
Adopt action plan to address issues contained in audit report	28 January 2016	28 Jan 2016	MM/Mayor	See Action Plan in Annual Report page 342
Table Annual Report (AR) in Council	28 January 2016	28 January 2016	Mayor	Table Annual Report 28 January 2016
Make public AR and invite community representations	29 January 2016	29 January 2016	MM	Annual Report: a. On Website b. Libraries

Council meeting(s) to discuss AR	28 January 2016	30 January 2016	MM	c. Municipal Offices d. (See attached notice)
Submit copies of Council minutes to A-G & provincial departments	29 January 2016	29 January 2016	MM	1) Table Annual Report 2) AG Office Present, Audit 3) Public discussion on Annual Report
Oversight committee draft Oversight Report	17 March 2016	March 2016	MM	Evidence of Delivery See attached documentation
Adopt Oversight Report (OR)	17 March 2016	17 March 2016	Council	Done
Submit OR to provincial legislature	5 April 2016	Before 7 April 2016	MM	Done
Make public OR	1 April 2016	Before 7 April 2016	MM	Done

“Annexure C”

Checklist to make determinations regarding the 2013/2014 Annual Report – Baviaans Municipality.

Abbreviation: Municipal Manager – MM

Corporate Service Manager – CSM

Technical Service Manager – TCM

Community Service – CS

Chief Financial Officer - CFO

INFORMATION REQUIRED TO BE INCLUDED IN THE ANNUAL REPORT	ISSUES FOR CONSIDERATION/ POSSIBLE QUESTIONS	ANSWER	WHO IS ANSWER- ABLE	RESPONSE OFFERED BY PERSON ACCOUNTABLE	DETERMINATION BY OVERSIGHT COMMITTEE
1. Is the Annual Report in a presentable format	<ul style="list-style-type: none"> • Properly titled; • Referenced to the year under review; • Contains misrepresentations; 	Yes Yes No	MM MM MM	Acceptable format and it does give clear indication of service delivery and state of financial administration in the Baviaans Municipality.	
2. Is the Annual Report properly “organized”	<ul style="list-style-type: none"> • Index; • Page numbering; • Chapters follow proper sequence; 	Yes Yes Yes Yes	MM MM MM MM	Pages 161 to 379	

	<ul style="list-style-type: none"> Annexures relevant to year under review 					
3. Are the minimum requirements for content as prescribed by s.121.3 of the MFMA and s.46 of the MSA met.	<p>In terms of the MFMA the following documents must be included in the Annual Report:</p> <ul style="list-style-type: none"> Annual Financial Statements for the year under review; The Auditor-General's report for the year under review; The annual performance report of the municipality required in terms of s. 46 of the MSA; The Auditor-General's report in terms of s.45(b) of the MSA on the performance of the municipality; Assessment of the MM on the collectability of the debtors outstanding at the end of the financial year under review; Assessment by the MM of performance against the measurable performance objectives relating to revenue collection for each revenue source and each vote in the approved budget; 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>CFO</p> <p>CFO</p> <p>CS</p> <p>CS</p> <p></p> <p>MM</p> <p>MM</p>	<p>Pages 64 – 127</p> <p>Pages 290 – 337</p> <p>Pages 22, 63, 125, 144, 145 & 161</p> <p>Pages 337 – 341</p> <p></p> <p>Page 125</p> <p>Page 126</p>		

	<ul style="list-style-type: none"> • Particulars of any corrective actions taken or to be taken relating to issues contained in both audit reports of the Auditor-General; 	Yes	MM	Page 296	
	<ul style="list-style-type: none"> • Any information to clarify issues in connection with the financial statements; 	Yes	CFO	Page 342	
	<ul style="list-style-type: none"> • Any information as may be prescribed by other legislation (DOR Act) 	Yes	MM	An amount of 2.19 million has still to be repaid to National Revenue Fund due to rollover not approved for 2012/2013	

4. Annual Financial Statements (AFS)	<ul style="list-style-type: none"> Does the AFS contain a fair representation of the financial performance of the municipality? Do the notes to the AFS contain adequate explanations/ information/ disclosures? (refer item 11 further down) 	Yes	CFO	Baviaans Municipality received a unqualified report with emphasis of matters.	
5. The Auditor-General's Report	<ul style="list-style-type: none"> Is the finding of the Auditor-General (A-G) relating to performance and financial governance justified under the circumstances; Did management respond to management letters issued by the A-G; Did management sign management representation letters to signify that good financial governance practices were adhered to during the year under review; How many issues contained in the A-G's report relates to previous years; 	Yes	MM	Managers timeously respond to Auditor General. Previous year there were 14 issues 7 Items re-cured in the Management letter.	

	<ul style="list-style-type: none"> • To what extent does the A-G's report contain serious inferences of financial mismanagement; 	None	MM		
	<ul style="list-style-type: none"> • Did management and the Council respond to recommendations by the Audit Committee? 	Yes	MM/ MAYOR	Minutes of Audit Committee Meetings	
6. The Annual Performance Report of the Municipality	<p>Section 46, MSA requires municipalities to submit a performance report reflecting the performance of the municipality <u>and each service provider</u>, a comparison of the performance with targets set for the previous year and measures taken to improve performance. The report must form part of the annual report. Questions considered are –</p> <ul style="list-style-type: none"> • Was the performance report included in the Annual Report? 	Yes	MM	Pages 23,63,161 Performance Report included in the Annual Report as Annexure 1	

	<ul style="list-style-type: none"> •To what extent has performance achieved targets set by council? 	Yes	MM	See page 265	
	<ul style="list-style-type: none"> •Is the council satisfied with the performance levels achieved? 	Yes	CS	Services of the core functions has been done according to required levels.	
	<ul style="list-style-type: none"> •Is the community satisfied with performance? Has a customer satisfaction survey been undertaken and, if so, how do the results align with the annual report contents? 	Yes	MM	Customer care survey was develop by DPLGTA. Questionnaire was included in the Performance Report (Page 198)	
	<ul style="list-style-type: none"> •What were the outcomes of public consultation and public hearings? 	Yes	CS	All issues raised during community based planning meetings tabled quarterly to Council.	
	<ul style="list-style-type: none"> •What actions have been taken and planned to improve performance? 	Yes	CS	Report on service delivery are reported to Council to give guidance on shortcomings. Page 262	
	<ul style="list-style-type: none"> •Is the council satisfied with actions to improve performance? 	Yes	MM	Performance Report was tabled 28 Jan 2016	

	<ul style="list-style-type: none"> •Did the targets set in the budgets, SDBIP agree with the targets set in the performance contracts of the municipal manager and each senior manager? 	Yes	CS	See Municipal Manager and Section 56 Managers performance contracts (Page 260)	
	<ul style="list-style-type: none"> •Does the report evaluate the efficiency of mechanisms applied to deliver the performance outcomes? 	Yes	CS	To be reviewed yearly and shortcomings to be addressed. A evaluation of the Section 56 Managers Performance was submitted to Council	
	<ul style="list-style-type: none"> •Taking into account the audit report and opinion and the views of the Audit Committee, is performance considered to be efficient and effective? 	Yes	MM	One finding raised by Auditor General for 2014/2015 on Performance Management	
	<ul style="list-style-type: none"> •Were actions planned for the previous year been carried over to the financial year and to what extent? 	Yes	CS/TCM	There are certain planned items carried over due to financial or procurement reasons. Certain projects carried over due to problems in Provincial Department.	

	<ul style="list-style-type: none"> • Have any actions planned in the reported year been carried over to the current or future years? If so are any explanations being provided by the municipal manager and are these satisfactory? • Was Council provided with regular performance reports relating to service providers? 	Yes	CFO	<p>Explanations were given:</p> <ul style="list-style-type: none"> ➤ Down Housing: Departmental reasons. <p>Erasmuskloof, Wanhoop, Upgrading of Streets and Stormwater Willowmore and Steytleville and Down Housing</p>	
		Yes	CS	Quarterly reports were tabled in Council	
7. The Auditor-General's report on the performance of the municipality	<p>Section 45 of the MSA requires that the Auditor-General must audit the results of performance measurements, as part of the internal auditing processes annually.</p> <ul style="list-style-type: none"> • Was the A-G provided with the information required to perform the required audit? 	Yes	CS	Yes – Refer to Steering Committee Minutes.	

	<ul style="list-style-type: none"> Were recommendations by the A-G included in action plans to improve performance in the following year? 	Yes	CS	It is included in the working document of Top Management which meet monthly and report quarterly to Council.	
8. Assessment by the MM on the collectability of the debtors outstanding at the end of the financial year.	<ul style="list-style-type: none"> Is such an assessment included in the report? How regularly was the assessment performed during the year? Were any corrective steps taken where collection performance did not meet targets? Did the mayor execute his/her oversight responsibility relating to collection of revenue? How acceptable is the current situation relating to debtors outstanding? 	Yes Yes Yes Yes	M/M CFO CFO	See page 126 Monthly. Included in the Finance Report. (Sec 71 to Council) CCRC Workgroup monthly and policy revised were necessary. (Page 266)	
9. Assessment by the MM of performance against the measurable performance objectives for collection for each revenue	<ul style="list-style-type: none"> Were measurable performance objectives for revenue collection set at the beginning of the year? 	Yes	CFO	The target is 100% : Page 271 a. Provincial Departments not paying their accounts on time reasons why payment rate is lower than target set. b. Municipality has problems in controlling Debtors in Eskom area, Steytleville, Municipality	

<p>source and each vote in the approved budget.</p>	<ul style="list-style-type: none"> • What actions were taken to address any areas of under-performance? 	<p>Yes</p>	<p>CFO</p>	<p>has addressed problems experienced with debtors in Eskom Supply area. Progress has been made, process will be executed on a continue basis.</p> <ul style="list-style-type: none"> ➤ Handover of accounts Negotiations with Government Departments Credit Control Policy Implemented Regular blocking of electricity Debt Collector appointed – Revco Revised policies can be provided on request. Revised policies adopted on 28 May 2015 	<p>Monthly report to the Mayor and tabled at Council Meeting (page 131, 132)</p>
<ul style="list-style-type: none"> • Were revenue collection policies (disconnection, deposits, arrangements) in operation during the year under review? 	<p>Yes</p>	<p>CFO</p>	<p>CFO</p>	<p>Monthly report to the Mayor and tabled at Council Meeting (page 131, 132)</p>	
<ul style="list-style-type: none"> • Were regular reviews of the budgeted revenue per serve 	<p>Yes</p>	<p>CFO</p>	<p>CFO</p>	<p>Monthly report to the Mayor and tabled at Council Meeting (page 131, 132)</p>	

	compared to actual revenue done and reported to the Mayor/ Council?				
10. Particulars of any corrective actions taken or to be taken relating to issues contained in both audit reports of the Auditor-General for the year under review;	<ul style="list-style-type: none"> • Has Council adopted an action plan to address the issues contained in the report of the A-G? 	Yes	M/M	See Annual Report Page 342-350	
	<ul style="list-style-type: none"> • Will the action plan adequately address the issues contained in the A-G's report? 	Yes	M/M	MM and CFO to drive Action Plan	
	<ul style="list-style-type: none"> • What progress has been made with execution of the action plan? 			See monthly updating of Action Plan Report to Council.	
	<ul style="list-style-type: none"> • Are due dates being met? 	Yes	CFO	a. 30 Days Creditor payment b. Cashflow problems c. Illegal Landfill sites	
	<ul style="list-style-type: none"> • Will any items contained in the A-G's report be carried into the next financial year? 				
	<ul style="list-style-type: none"> • What controls are in place to ensure no items are carried forward into the next financial year? 	Yes	CFO/MM	Management to meet regularly on execution of AG Action Plan.	

11. Any information to clarify issues in connection with the financial statements	<ul style="list-style-type: none"> • The notes to the AFS are required to contain the following further disclosures; were they disclosed in the AFS for 2014/2015? • Details of allocations received from other organs of state (national and provincial); • Details of any allocations made to any other organs of state or institution/municipal entity; • Allocations received in terms of the DOR Act and provincial budgets; • Details on how certain of the above allocations were spent per vote; • A statement whether any funds destined for the municipality in terms of the DOR Act were delayed or 	Yes	CFO	<p>Notes to Financial Statements : Note 95-118</p> <p>No Rollover of any grants at year end</p> <p>Note 92 - 118</p>	
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	<p>withheld and the reasons advanced for the delay or withholding;</p> <ul style="list-style-type: none"> • The salaries, allowances and benefits of political office bearers and councilors; • A statement by the accounting officer whether or not the remuneration is within the prescribed upper limits; • Particulars of any arrears older than 90 days owed by individual councilors to the municipality; • Details of the salaries, allowances and benefits of the MM, CFO and every senior manager and such other positions as may be prescribed per individual; • A list of municipal entities under the control of the municipality; • the total amount of contributions to organized local government; 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>N/A</p> <p>NO</p>	<p>CFO</p> <p>CFO</p> <p>CFO</p> <p>CFO</p>	<p>Note 23</p> <p>2014/2015 – Nil owed by Councilors (current account) Note 46</p> <p>Note 22</p> <p>N/A</p> <p>No payment to Salga</p>	
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	<ul style="list-style-type: none"> • the amount of any outstanding contributions to organized local government; 	NO	CFO		
	<ul style="list-style-type: none"> • the total amounts paid in audit fees/ taxes /levies/ duties/ pension fund contributions/ medical aid contributions; 	Yes	CFO	Note 30 and Note 34	
	<ul style="list-style-type: none"> • details of any amounts outstanding relating to the aforementioned. 	Yes	CFO	Note 34	
	<ul style="list-style-type: none"> • In respect of each bank account the name of the bank, type of account, year opening and year end balances; 	Yes	CFO	Page 98 (Note 6)	
	<ul style="list-style-type: none"> • A summary of all investments as at end of the financial year; 	NO	CFO	Page 98 (Note 6)	
	<ul style="list-style-type: none"> • Particulars of any material losses; 	Yes	CFO	Note 44 (Page 116)	
	<ul style="list-style-type: none"> • Particulars of any material irregular, wasteful or fruitless expenditure; 	Yes	CFO	Note 39,40 (Page 115)	
	<ul style="list-style-type: none"> • Particulars of any material unauthorized expenditure; 	Yes	CFO	Note 38 (page 115)	

	<ul style="list-style-type: none"> • A statement whether the aforementioned expenditures are recoverable; 	NO	CFO	The MM report to Council that Unauthorized expenditure was not recoverable	
	<ul style="list-style-type: none"> • Any criminal or disciplinary steps taken as a result of any of the aforementioned expenditures; 	NO	CFO	Report by MM was submitted to Council and condone by Council	
	<ul style="list-style-type: none"> • Any material losses recovered 	NO	CFO	Note 38,39,40 (Page 115)	
	<ul style="list-style-type: none"> • Any material losses written off; 	NO	CFO		
	<ul style="list-style-type: none"> • Particulars of non-compliance with the MFMA. 	Yes	CFO	Management Report pg.340 of Annual Report	
	<ul style="list-style-type: none"> • Details of loans and advances to staff or councilors; 	NO	CFO	Not allowed by MFMA	

DRAFT

BAVIAANS MUNICIPALITY

OVERSIGHT COMMITTEE

MINUTES OF A MEETING OF THE OVERSIGHT COMMITTEE HELD IN THE COUNCIL CHAMBERS WILLOWMORE ON 17 MARCH 2016

1. Members of the committee:

The Oversight Committee consists of the following Councillors:

D. Bezuidenhout	Chairperson
H. Booysen	Councillor
G. Hobson	Councillor
T. Spogter	Councillor
M. Fivaz	Councillor
V. Lapperts	Councillor

2. Attendance.

The following persons attended the meeting:

E. Loock	Mayor
J. Vumazonke	Municipal Manager
M. Lötter	Corporate Service Manager
Reginald Botha	Technical Service Manager
Lizette de Beer	Community Service Manager
Ursula Baardman	Acting Finance Manager
	CFO

3. Apologies

Andre Zaayman	Audit Committee Chairperson
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4. Opening Prayers

Councillor H.Booyesen opened the meeting with a prayer.

5. Election of Chairperson.

Appointed by Council

6. Welcome by Chairperson.

The chairperson welcomed everybody present and thanked them for their attendance. He also expressed his concern about the absence of other spheres of Government as well as the absence of the Community of Baviaans, as this is the last Oversight Committee Meeting of the Baviaans Local Municipality before the amalgamation.

7. Process of Assessment of the Annual Report

The Committee used the following process for assessment of the 2014/2015 Annual Report:

7.1 Timeframes

The checklist contained in “**Annexure B**” was used to make determinations regarding the annual reporting process followed by the Baviaans municipality.

7.2 Content of the Annual Report.

The checklist contained in “**Annexure C**” was used to organize the Oversight Report, to manage requests for additional information and to note the Committee’s determinations regarding acceptance, rejection or refinement of the Annual Report.

7.3 Submission by the Audit Committee (See Annual Report page 351)

8. The Oversight Report.

After completion of the above process the committee went into recess and reconvene at 12:30 to confirm the recorded discussions and determinations, agree the summarized determinations to appear in the Oversight Report and thereafter adopt the Oversight report to be submitted to Council for final approval.

Once Council has adopted the Oversight Report as per proposed resolution contained in paragraph 9 of the Draft document, the Oversight Report must be made public and circulated by the Municipal Manager in terms of section 129 of the Municipal Finance Management Act.



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plaaslike munisipaliteit


Participation for Development

PO Box 15
42 Wehmeyer Street
Willowmore, 6445
Tel: 044 923 1004
Fax: 044 923 1122
Email: info@baviaans.gov.za
Web: www.baviaans.gov.za

BAVIAANS MUNICIPALITY

NOTICE NO 36 OF 2015/16 DATED 14 JANUARY 2016

Notice is hereby given in accordance with Section 29 (1) of the Law of Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), that a Special Council meeting of the Baviaans Municipality will be held on **Thursday 28 January 2016 at 10h00** at the Council Chambers in Willowmore to table the Annual Report 2014/15 and the 2015/16 mid-year budget and Performance Assessment report.


JZA VUMAZONKE
MUNICIPAL MANAGER
BAVIAANS MUNICIPALITY

Anja Theunissen

From: Anja Theunissen
Sent: 15 January 2016 11:54 AM
To: 'ben.vanda@ecgta.gov.za'
Cc: Lizette De Beer; Jama Vumazonke; Ursula Baartman; 'David Louw'; Ewald Loock
Subject: FW: Invitation to tabling of Baviaans Annual Report 2014/15
Attachments: Invitation ECLGTA tabling of Annual report 201314.pdf

Good day,

Herewith the notice for the tabling of 2014/15 Annual Report.

NOTICE NO 36 OF 2015/16 DATED 14 JANUARY 2016

Notice is hereby given in accordance with Section 29 (1) of the Law of Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), that a Special Council meeting of the Baviaans Municipality will be held on **Thursday 28 January 2016 at 10h00** at the Council Chambers in Willowmore to table the Annual Report 2014/15 and the 2015/16 mid-year budget and Performance Assessment report.

JZA VUMAZONKE
MUNICIPAL MANAGER
BAVIAANS MUNICIPALITY

Please find invitation attached and kindly confirm attendance by Monday, 25 January 2016

Kind regards,

Anja Theunissen
Administrative Officer: IDP / Communication
Baviaans Municipality
Tel: 044 923 1004
Fax: 044 923 1066





baviaans

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PARTICIPATION FOR DEVELOPMENT

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Fax: 044 923 1122
Email: info@baviaans.gov.za
Website: www.baviaans.gov.za

15 January 2016

Attention: B Vanda

Manager: Municipal Performance Management
Fourth Floor
Office No 4146c
Tyamzashe Building
Phalo Avenue
Private Bag X0035
BHISHO
5605

Dear Sir

TABLING OF ANNUAL REPORT 2014/15

You are hereby cordially invited to attend a Council meeting scheduled for 28 January 2016 at 10h00 in the Council Chambers in Willowmore during which the Annual Report for 2014/15 will be tabled.

Yours sincerely,

**JZA VUMAZONKE
MUNICIPAL MANAGER
BAVIAANS MUNICIPALITY**

Anja Theunissen

From: Anja Theunissen
Sent: 15 January 2016 10:40 AM
To: 'bulelwa.nqadolo@ectreasury.gov.za'; 'cornel.ebersohn@treasury.gov.za'; 'themba.gwija@ectreasury.gov.za'; 'templeton.phogole@treasury.gov.za'; 'NOMBULELO.MANZANA@ectreasury.gov.za'
Cc: 'David Louw'; Lizette De Beer; Ursula Baartman; Jama Vumazonke
Subject: Invitation to tabling of Baviaans Annual Report 2014/15
Attachments: Invitation PT tabling of Annual report 201415.pdf

Good day,

Herewith the notice for the tabling of 2014/15 Annual Report.

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MUNICIPAL MANAGER
BAVIAANS MUNICIPALITY

Please find invitation attached and kindly confirm attendance by Monday, 25 January 2016

Kind regards,

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Administrative Officer: IDP / Communication
Baviaans Municipality
Tel: 044 923 1004
Fax: 044 923 1066





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PARTICIPATION FOR DEVELOPMENT

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Fax: 044 923 1122
Email: info@baviaans.gov.za
Website: www.baviaans.gov.za

15 January 2016

Attention: Mr Thembaletu Gwija

Provincial Treasury
163 Durban Road
Korsten
PORT ELIZABETH

Dear Sir

TABLING OF ANNUAL REPORT 2014/15

You are hereby cordially invited to attend a Council meeting scheduled for 28 January 2016 at 10h00 in the Council Chambers in Willowmore during which the Annual Report for 2014/15 will be tabled.

Yours sincerely,

JZA VUMAZONKE
MUNICIPAL MANAGER
BAVIAANS MUNICIPALITY

Anja Theunissen

From: Anja Theunissen
Sent: 15 January 2016 12:11 PM
To: 'asaayman@hd.moorestephens.co.za'
Cc: Lizette De Beer; Jama Vumazonke; Ursula Baartman; 'David Louw'; Ewald Looek
Subject: FW: Invitation to tabling of Baviaans Annual Report 2014/15
Attachments: Invitation Audit Committee tabling of Annual report 201415.pdf

Good day,

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BAVIAANS MUNICIPALITY

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15 January 2016

Attention: Mr Thembaletu Gwija

Provincial Treasury
163 Durban Road
Korsten
PORT ELIZABETH

Dear Sir

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Yours sincerely,

JZA VUMAZONKE
MUNICIPAL MANAGER
BAVIAANS MUNICIPALITY

Anja Theunissen

From: Anja Theunissen
Sent: 15 January 2016 12:08 PM
To: 'tania.zondagh@kpmg.co.za'
Cc: Lizette De Beer; Jama Vumazonke; Ursula Baartman; 'David Louw'; Ewald Look
Subject: FW: Invitation to tabling of Baviaans Annual Report 2014/15
Attachments: Invitation Audit Manager tabling of Annual report 201415.pdf

Good day,

Herewith the notice for the tabling of 2014/15 Annual Report.

NOTICE NO 36 OF 2015/16 DATED 14 JANUARY 2016

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MUNICIPAL MANAGER
BAVIAANS MUNICIPALITY

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Kind regards,

Anja Theunissen
Administrative Officer: IDP / Communication
Baviaans Municipality
Tel: 044 923 1004
Fax: 044 923 1066





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Website: www.baviaans.gov.za

PARTICIPATION FOR DEVELOPMENT

15 January 2016

Attention: Ms T Zondagh

Senior Manager
KPMG
PORT ELIZABETH

6045

Dear Madam

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Yours sincerely,

**JZA VUMAZONKE
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PARTICIPATION FOR DEVELOPMENT

NOTICE NO 37 OF 2015/16 DATED 29 JANUARY 2016

INVITATION FOR PUBLIC COMMENT ON THE 2014/15 ANNUAL REPORT

The Mayor, Councilor E L Loock, in accordance with section 21 (a) of the Municipal Systems Act (Act 32 of 2000) and in compliance with section 127 of the Municipal Finance Act (Act 56 of 2003) invites the community of the Baviaans Municipality to submit written comments or presentations in connection with the 2014/15 Annual Report, which was tabled in a Special Council Meeting on 28 January 2016 in Willowmore at 10h00.

The 2014/15 Annual Report is available for perusal at all Libraries and Municipal Offices within the Baviaans Municipal Area and on the website of the municipality at www.baviaans.gov.za

Members of public may submit their comments in writing to the Municipal Manager at 42 Wehmeyer Street, Willowmore, 6445 by not later than 26 February 2016.

Any person who wishes to comment but is unable to write may visit any of the municipal offices during office hours where they will be assisted to transcribe their comments / presentations in a format suitable for consideration by Council.

Kindly direct any queries to Mr J Vumazonke, Municipal Manager at Tel: 044 923 1004

JZA VUMAZONKE
MUNICIPAL MANAGER
BAVIAANS MUNICIPALITY

Anja Theunissen

From: Anja Theunissen
Sent: 29 January 2016 11:59 AM
To: RamaP@agsa.co.za; NatashaH@agsa.co.za
Cc: Lizette De Beer; Jama Vumazonke; Ewald Loock; Ursula Baartman; 'David Louw'
Subject: RE: Invitation to comment: Baviaans Annual Report 2014/15
Attachments: Annual Report 201415 Submitted to Council on 28012016.zip

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JZA VUMAZONKE
MUNICIPAL MANAGER
BAVIAANS MUNICIPALITY

Please find the 2014/15 Annual Report attached.
You should receive a hard copy by next week.

Kind regards,

Anja Theunissen
Administrative Officer: IDP / Communication
Baviaans Municipality
Tel: 044 923 1004
Fax: 044 923 1088



Anja Theunissen

From: Anja Theunissen
Sent: 29 January 2016 11:56 AM
To: 'bulelwa.nqadolo@ectreasury.gov.za'; 'cornel.ebersohn@treasury.gov.za';
'themba.gwija@ectreasury.gov.za'; 'templeton.phogole@treasury.gov.za';
'NOMBULELO.MANZANA@ectreasury.gov.za'
Cc: 'David Louw'; Lizette De Beer; Ursula Baartman; Jama Vumazonke
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Administrative Officer: IDP / Communication
Baviaans Municipality
Tel: 044 923 1004
Fax: 044 923 1066



Anja Theunissen

From: Anja Theunissen
Sent: 29 January 2016 12:01 PM
To: 'ben.vanda@edgta.gov.za'; 'linda.somhlaho@edgta.gov.za'
Cc: Lizette De Beer; Jama Vumazonke; Ursula Baartman; 'David Louw'; Ewald Loock
Subject: RE: Invitation to comment: Baviaans Annual Report 2014/15
Attachments: Annual Report 201415 Submitted to Council on 28012016.zip

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Baviaans Municipality
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Fax: 044 923 1066



Anja Theunissen

From: Anja Theunissen
Sent: 29 January 2016 12:11 PM
To: 'lgdocuments@treasury.gov.za'
Cc: 'David Louw'; Lizette De Beer
Subject: FW: Invitation to comment: Baviaans Annual Report 2014/15
Attachments: Annual Report 201415 Submitted to Council on 28012016.zip

From: Anja Theunissen
Sent: 29 January 2016 11:56 AM
To: 'bulelwa.nqadolo@ectreasury.gov.za'; 'cornel.ebersohn@treasury.gov.za'; 'themba.gwija@ectreasury.gov.za'; 'templeton.phogole@treasury.gov.za'; 'NOMBULELO.MANZANA@ectreasury.gov.za'
Cc: 'David Louw'; Lizette De Beer; Ursula Baartman; Jama Vumazonke
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JZA VUMAZONKE
MUNICIPAL MANAGER
BAVIAANS MUNICIPALITY

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You should receive a hard copy by next week.

Kind regards,

Anja Theunissen
Administrative Officer: IDP / Communication
Baviaans Municipality
Tel: 044 923 1004
Fax: 044 923 1066

Anja Theunissen

From: Anja Theunissen
Sent: 29 January 2016 11:59 AM
To: 'RamaP@agsa.co.za'; 'NatashaH@agsa.co.za'
Cc: Lizette De Beer; Jama Vumazonke; Ewald Loock; Ursula Baartman; 'David Louw'
Subject: RE: Invitation to comment: Baviaans Annual Report 2014/15
Attachments: Annual Report 201415 Submitted to Council on 28012016.zip

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Baviaans Municipality
Tel: 044 923 1004
Fax: 044 923 1066

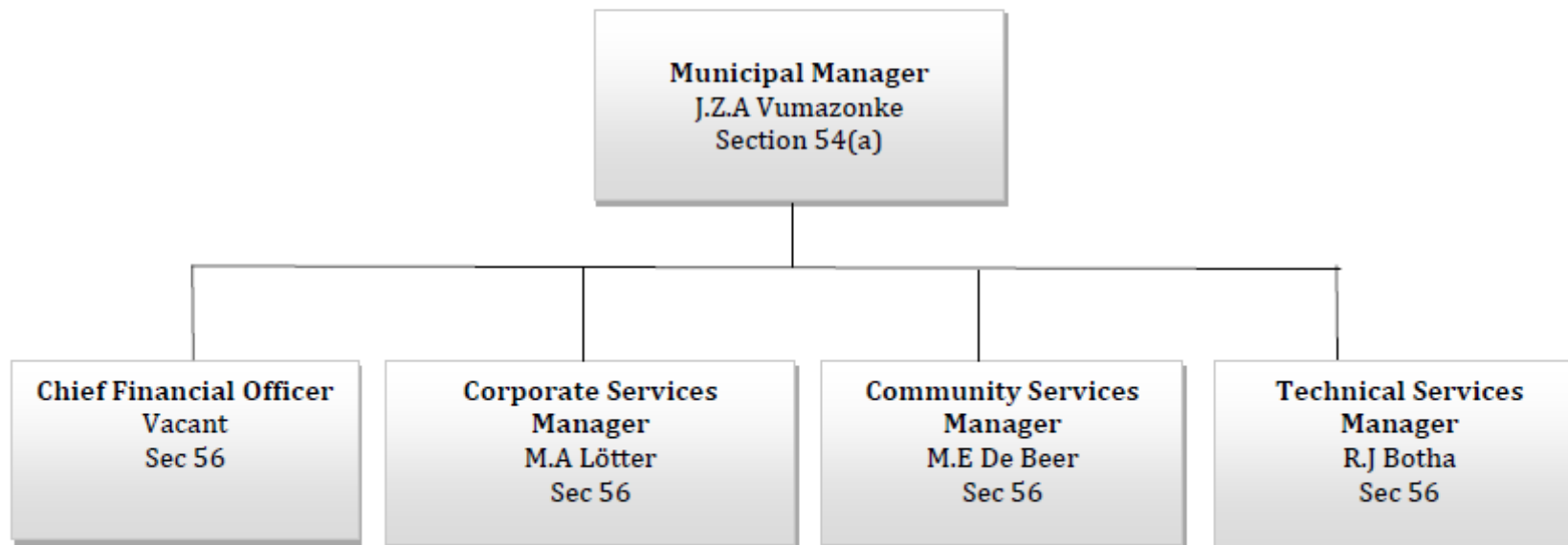


ANNEXURE 5: MANAGEMENT STRUCTURE

1 x MM

3 x Section 56 Managers Permanently Appointed

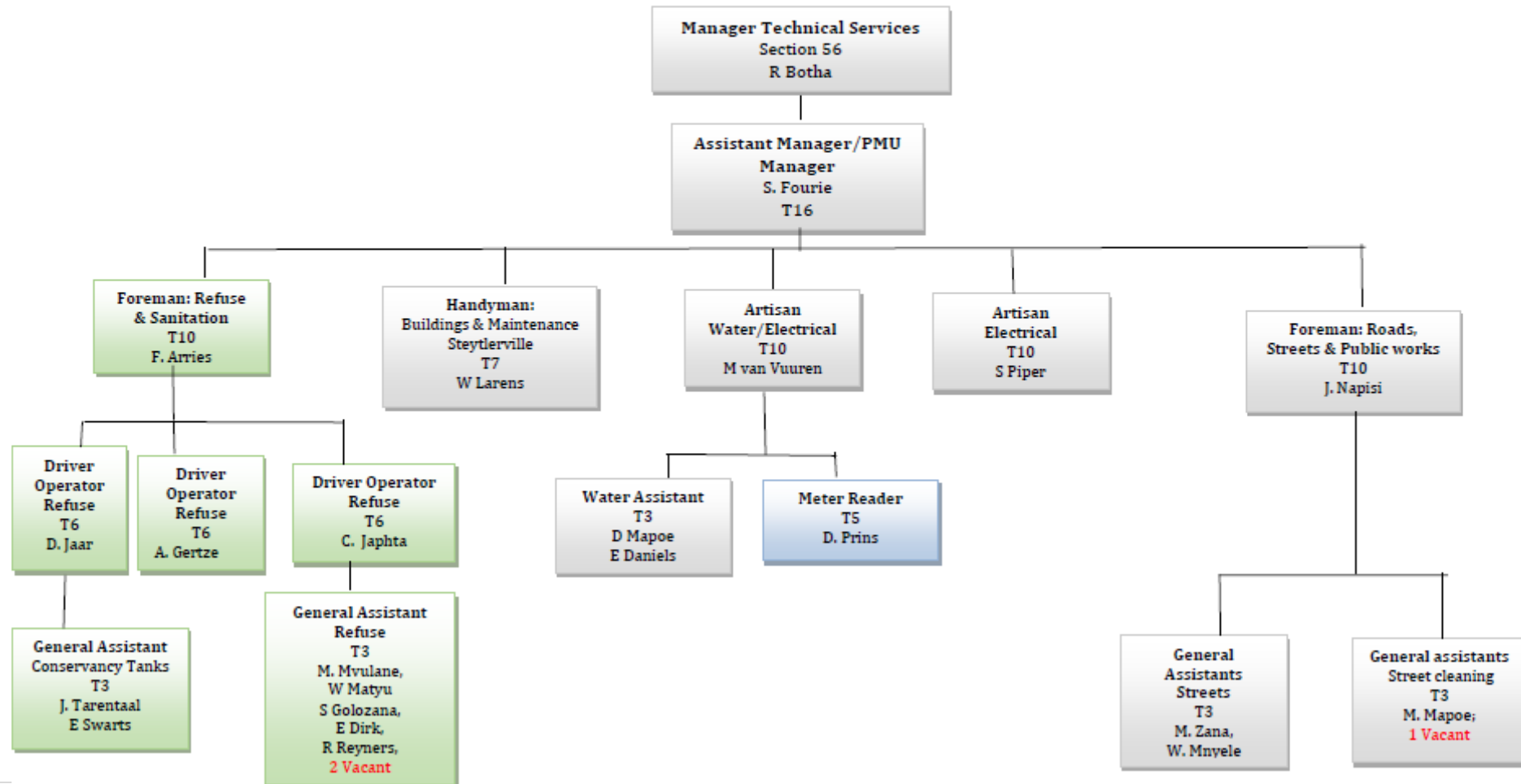
Management Structure



1 x Sec 56
22 x Perm Staff
3 x Vacant

Technical Services

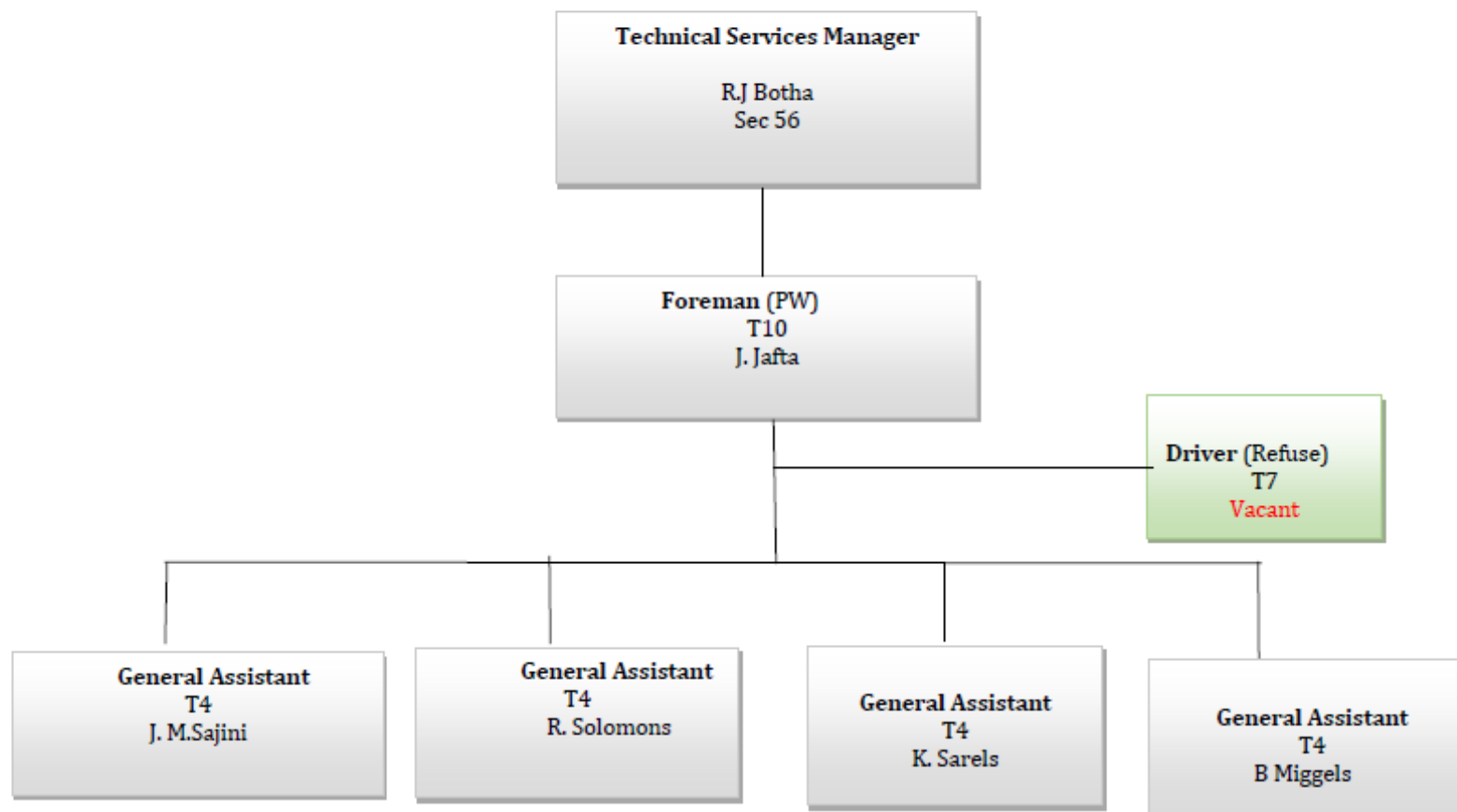
Steytlerville



1 x Sec 56
5 x Perm Staff
1 x Vacant

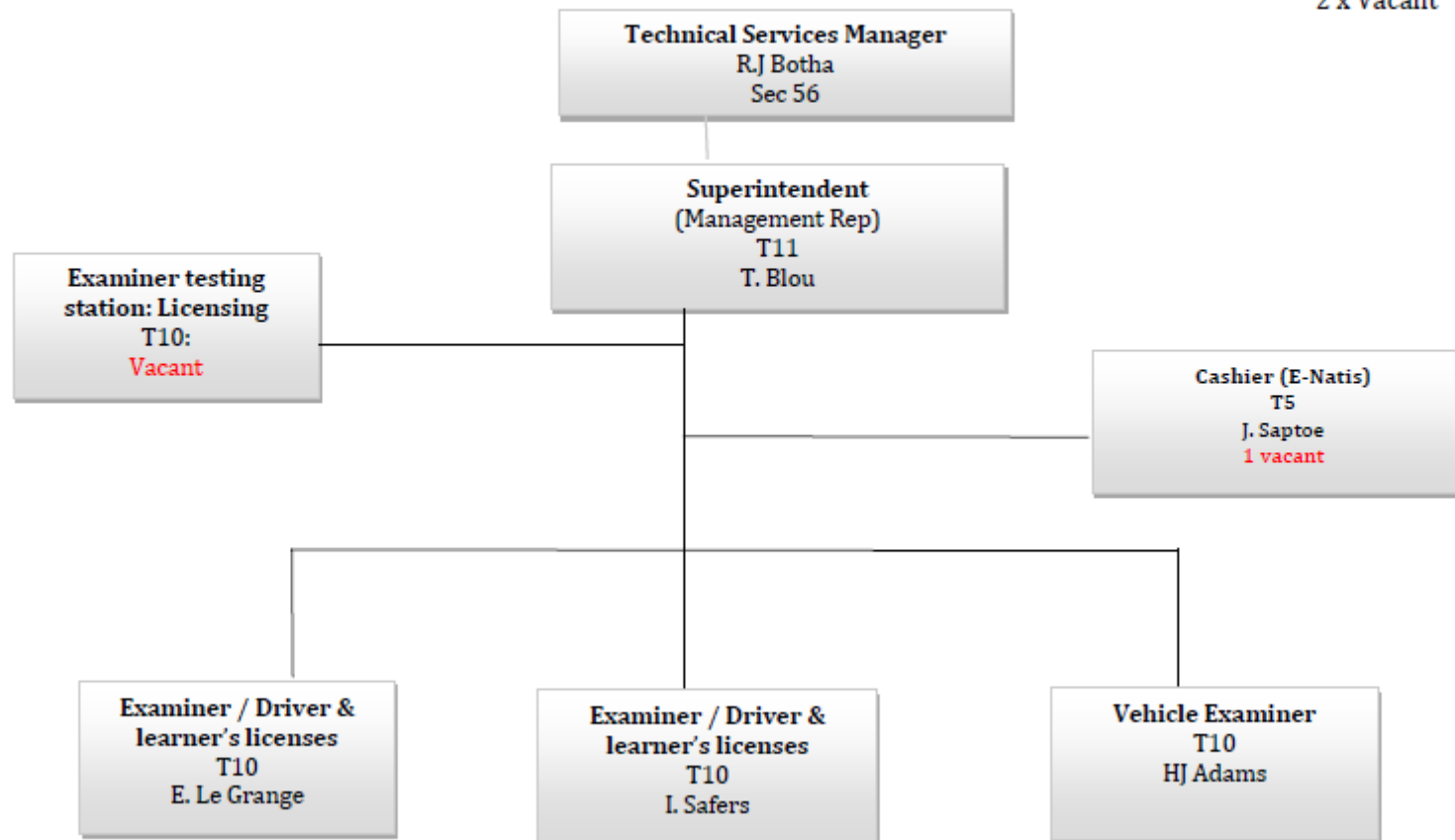
Technical Services

Rietbron



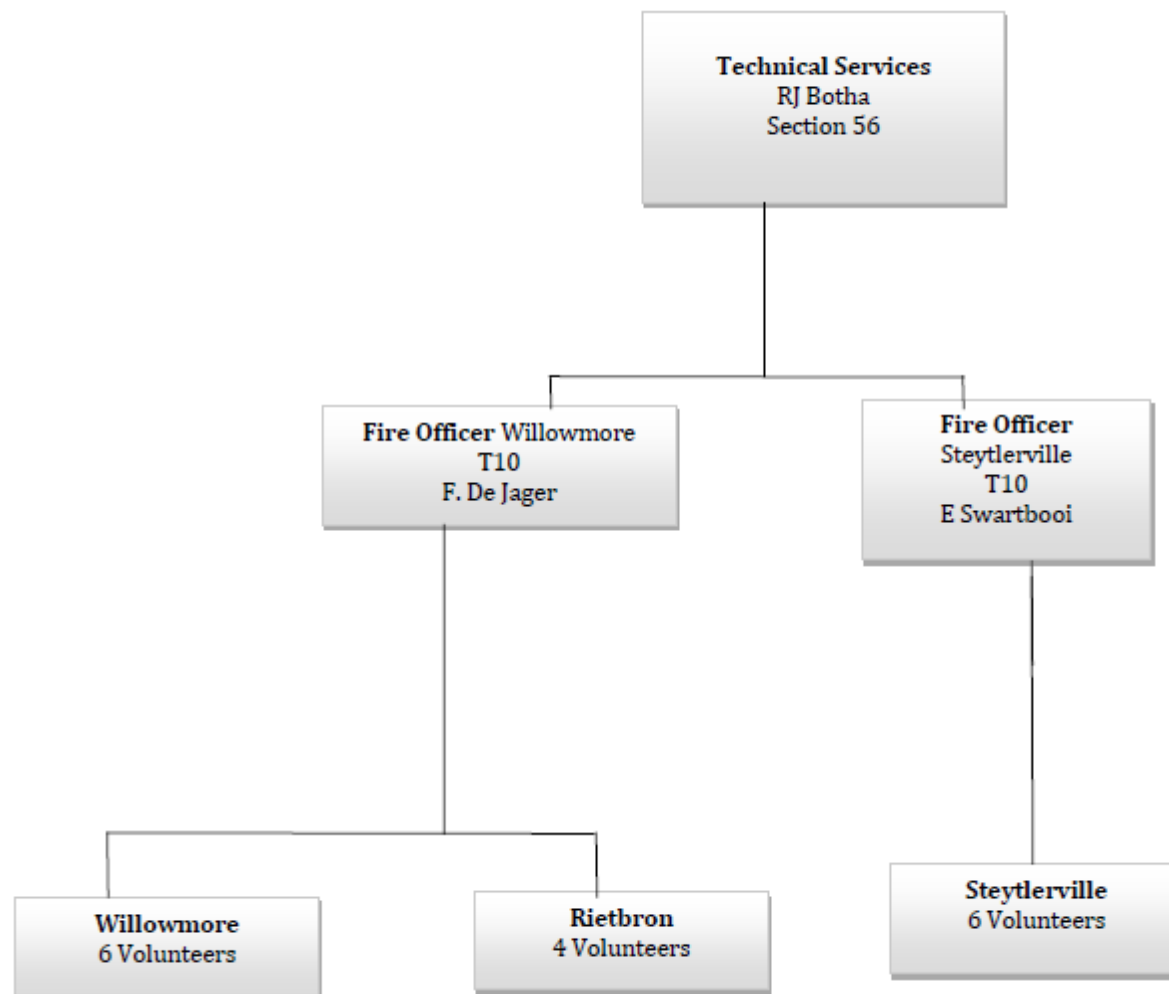
Technical Services – Licensing and Testing Centre

1 x Sec 56
5 x Perm Staff
2 x Vacant



1 x Sec 56
2 x Perm Staff

Protection Services



1 x Sec 56
13 x Perm Staff
0 x Vacant

Community Services

